# CENTRAL BANK OF NIGERIA

# 2014
# Annual Report

31ST DECEMBER, 2014

**Central Bank of Nigeria**
Corporate Head Office
33 Tafawa Balewa Way
Central Business District
P. M. B. 0187
Garki, Abuja
*Website: www.cbn.gov.ng*

Tel:+234(0)946238707
+234(0)946238762



**ISSN 1597 - 2976**

# *Vision*

"By 2015, be THE MODEL CENTRAL BANK delivering PRICE and FINANCIAL SYSTEM STABILITY and promoting SUSTAINABLE ECONOMIC DEVELOPMENT".

# *Mission*

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

## THE CENTRAL BANK OF NIGERIA

*Established by the Central Bank of Nigeria (CBN) Act of 1958, the principal objects of the Bank, as contained in the new CBN Act, 2007, are to:*

- *ensure monetary and price stability;*
- *issue legal tender currency in Nigeria;*
- *maintain external reserves to safeguard the international value of the legal tender currency;*
- *promote a sound financial system in Nigeria; and*
- *act as banker and provide economic and financial advice to the Federal Government of Nigeria.*

# BOARD OF DIRECTORS

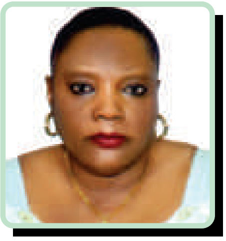
## *AS AT 31ST DECEMBER, 2014*

**GODWIN I. EMEFIELE**
*Chairman of the Board*

**JONAH O. OTUNLA**
*Director*

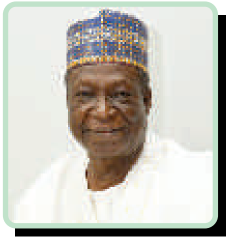
**SARAH O. ALADE**
*Deputy Governor*

**STANLEY I, LAWSON**
*Director*



**ANASTASIA M. DANIEL-NWAOBIA**
*Director*

**SULEIMAN A. BARAU**
*Deputy Governor*



**MUHAMMED M. KAFARATI**
*Director*

**COLLINS C. CHIKELUBA**
*Director*

**ADEBAYO A. ADELABU**
*Deputy Governor*

**AYULI JEMIDE**
*Director*

**ANTHONY A. ADABA**
*Director*

**YUNUSA M. SANUSI**
*Secretary to the Board*

## MEMBERS OF THE BOARD OF DIRECTORS OF THE BANK AS AT 31ST DECEMBER 2014

| | | | |
|---|---|---|---|
| 1. | Godwin I. Emefiele, CON | - | Governor (Chairman) |
| 2. | Adebayo A. Adelabu | - | Deputy Governor (Corporate Services) |
| 3. | Sarah O. Alade (Mrs.), OON | - | Deputy Governor (Economic Policy) |
| 4. | Suleiman A. Barau, OON | - | Deputy Governor (Operations) |
| 5. | Anthony A. Adaba | - | Director |
| 6. | Collins C. Chikeluba | - | Director |
| 7. | Ayuli Jemide | - | Director |
| 8. | Muhammed M. Kafarati | - | Director |
| 9. | Stanley I. Lawson | - | Director |
| 10. | Jonah O. Otunla | - | Director (Accountant General of the Federation) |
| 11. | Anastasia M. Daniel-Nwaobia (Mrs.) | - | Director (Permanent Secretary, Federal Ministry of Finance) |
| | Yunusa M. Sanusi | - | Secretary to the Board |

## MEMBERS OF THE COMMITTEE OF GOVERNORS OF THE BANK AS AT 31ST DECEMBER 2014

| | | | |
|---|---|---|---|
| 1. | Godwin I. Emefiele, CON | - | Governor (Chairman) |
| 2. | Adebayo A. Adelabu | - | Deputy Governor (Corporate Services) |
| 3. | Sarah O. Alade (Mrs.), OON | - | Deputy Governor (Economic Policy) |
| 4. | Suleiman A. Barau, OON | - | Deputy Governor (Operations) |
| | Yunusa M. Sanusi | - | Secretary |

## MEMBERS OF THE MONETARY POLICY COMMITTEE (MPC) AS AT 31ST DECEMBER 2014

| | | | |
|---|---|---|---|
| 1. | Godwin I. Emefiele, CON | - | Governor (Chairman) |
| 2. | Adebayo A. Adelabu | - | Deputy Governor (Corporate Services) |
| 3. | Sarah O. Alade (Mrs.), OON | - | Deputy Governor (Economic Policy) |
| 4. | Suleiman A. Barau, OON | - | Deputy Governor (Operations) |
| 5. | Dahiru Balami | - | Member |
| 6. | Anastasia M. Daniel-Nwaobia (Mrs.) | - | Permanent Secretary, Federal Ministry of Finance, Member |
| 7. | Abdul-Ganiyu Garba | - | Member |
| 8. | Stanley I. Lawson | - | Member |
| 9. | Adedoyin R. Salami | - | Member |
| 10. | Chibuike C. Uche | - | Member |
| 11. | Shehu Yahaya | - | Member |
| | Moses. K. Tule | - | Secretary |

## PRINCIPAL OFFICERS OF THE BANK AS AT 31ST DECEMBER 2014

### A. Departmental Directors

| | | | |
|---|---|---|---|
| 1. | Dipo T. Fatokun | - | Banking & Payments System |
| 2. | Agnes O. Martins (Mrs.) | - | Banking Supervision |
| 3. | Mahmoud K. Umar | - | Branch Operations |
| 4. | Umma Dutse (Haj.) | - | Consumer Protection |
| 5. | Ibrahim Mu'azu | - | Corporate Communications |
| 6. | Yunusa M. Sanusi | - | Corporate Secretariat |
| 7. | Olufemi A. Fabamwo | - | Currency Operations |
| 8. | Mudashir A. Olaitan* | - | Development Finance |
| 9. | Tope O. Omage (Mrs.) | - | Finance |
| 10. | Emmanuel U. Ukeje | - | Financial Markets |
| 11. | Kevin N. Amugo | - | Financial Policy and Regulation |
| 12. | Oghenekaro A. Olori | - | Governors' Department |
| 13. | Chizoba V. Mojekwu (Ms.) | - | Human Resources |
| 14. | John I. Ayoh | - | Information Technology |
| 15. | Vivian I. Agu (Mrs.) | - | Internal Audit |
| 16. | Alvan E. Ikoku | - | International Training Institute |
| 17. | Amusa O. Ogundana* | - | Legal Services |
| 18. | Faozat A. O. Bello (Mrs.) | - | Medical Services |
| 19. | Moses K. Tule | - | Monetary Policy |
| 20. | Ahmad Abdullahi | - | Other Financial Institutions Supervision |
| 21. | Lazarus M. Agbor | - | Procurement & Support Services |
| 22. | Charles N.O. Mordi | - | Research |
| 23. | Lamido A. Yuguda | - | Reserve Management |
| 24. | Oluwafolakemi J. Fatogbe (Ms.) | - | Risk Management |
| 25. | Ibitayo O. Amu | - | Security Services |
| 26. | Sani I. Doguwa | - | Statistics |
| 27. | Lametek E. Adamu | - | Strategy Management |
| 28. | Olakanmi I. Gbadamosi | - | Trade & Exchange |
| 29. | Abwaku Englama | - | Secondment to WAMI |

*Overseeing the Department

### B. Special Advisers to the Governor

| | | | |
|---|---|---|---|
| 1. | Vitus Ukwuoma | - | Banking Supervision |
| 2. | Ugochukwu Okoroafor* | - | Communications |
| 3. | Paul N. Eluhaiwe | - | Development Finance |
| 4. | Kingsley Obiora | - | Economic Matters |
| 5. | Yakubu Umar | - | Non-Interest Banking |
| 6. | Thomas O. Odozi | - | Nigerian Security Printing and Minting (NSPM) Plc. |
| 7. | Aisha U. Mahmoud | - | Sustainable Banking |

*Director/Special Adviser

## C. Branch Controllers/Currency Officers

| | | | |
|---|---|---|---|
| 1. | Obiageli A. Obiekwe (Mrs.) | - | Abakaliki |
| 2. | Adeyemi A. Bedu | - | Abeokuta |
| 3. | John N. Chukwudifu | - | Abuja |
| 4. | Samuel O. Ogungbayi | - | Ado-Ekiti |
| 5. | Rahmath A. O. Yusuf-Adeyemi (Mrs.) | - | Akure |
| 6. | Elizabeth O. Agu (Mrs.) | - | Asaba |
| 7. | Onyekachi Iheakwazu | - | Awka |
| 8. | Muhammad M. Ladan | - | Bauchi |
| 9. | Herbert F. Ekechukwu | - | Benin |
| 10. | Asmau N. Babah (Mrs.) | - | Birnin-Kebbi |
| 11. | Graham I. Kalio | - | Calabar |
| 12. | Ibrahim A. Dibola | - | Damaturu |
| 13. | Danjuma A. Mohammed | - | Dutse |
| 14. | Patrick O. Okonkwor | - | Enugu |
| 15. | Ishaku K. Jatau | - | Gombe |
| 16. | Umar A. Ambursa | - | Gusau |
| 17. | Musibau F. Olatinwo | - | Ibadan |
| 18. | Monday O. Olotewo | - | Ilorin |
| 19. | Mohammed S. Abdullahi | - | Jalingo |
| 20. | Gin Y. M. Kurah | - | Jos |
| 21. | Mohammed I. Gusau | - | Kaduna |
| 22. | Amina P. Abubakar (Mrs.) | - | Kano |
| 23. | Mohammed H. Adamu | - | Katsina |
| 24. | Usman S. Sule | - | Lafia |
| 25. | James O. Iyari | - | Lagos |
| 26. | Musa B. Bafai | - | Lokoja |
| 27. | Ibrahim Isyaku | - | Maiduguri |
| 28. | Aninyei G. Olisamedua | - | Makurdi |
| 29. | Dangusau K. Mohammed | - | Minna |
| 30. | Macduff O. Efetabore | - | Osogbo |
| 31. | Romanus K. Aligwe | - | Owerri |
| 32. | Jude N. Ekwebelem | - | Port Harcourt |
| 33. | Mohammed L. Idris | - | Sokoto |
| 34. | Veronica E. Aqua | - | Umuahia |
| 35. | Caulma C. Efegi | - | Uyo |
| 36. | Alexander Nwosu | - | Yenagoa |
| 37. | Yahaya A. Lawan | - | Yola |

# TABLE OF CONTENTS

## LIST OF TABLES IN THE TEXT

## LIST OF FIGURES

## LIST OF BOXES



## LIST OF APPENDICES

## LIST OF ABBREVIATIONS AND ACRONYMS

| | |
|---|---|
| **AACB** | Association of African Central Banks |
| **ABS** | Analytical Balance Sheet |
| **ACGSF** | Agricultural Credit Guarantee Scheme Fund |
| **ACSS** | Agricultural Credit Support Scheme |
| **ADF** | African Development Fund |
| **ADPs** | Agricultural Development Programmes |
| **AES** | African Econometrics Society |
| **AFC** | Africa Finance Corporation |
| **AfDB** | African Development Bank |
| **AGOA** | African Growth Opportunity Act |
| **AIPs** | Approvals-In-Principle |
| **AMCON** | Asset Management Corporation of Nigeria |
| **AMCP** | African Monetary Cooperation Programme |
| **AML/CFT** | Anti-Money Laundering/Combating the Financing of Terrorism |
| **ATAP** | Agricultural Transformation Action Plan |
| **APRM** | Africa Peer Review Mechanism |
| **ATMs** | Automated Teller Machines |
| **AU** | African Union |
| **AUC** | Africa Union Commission |
| **BAs** | Bankers' Acceptances |
| **BDCs** | Bureaux-de-Change |
| **BOI** | Bank of Industry |
| **BWIs** | Bretton Woods Institutions |
| **CAC** | Corporate Affairs Commission |
| **CACS** | Commercial Agriculture Credit Scheme |
| **CAMA** | Companies and Allied Matters Act |
| **CAMEL** | Capital Adequacy, Asset Quality, Management, Earnings and Liquidity |
| **CAR** | Capital Adequacy Ratio |
| **CBN** | Central Bank of Nigeria |
| **CBP** | Capacity Building Programme |
| **CBs** | Community Banks |
| **CDMA** | Code Division Multiple Access |
| **CEPR** | Centre for Economic Policy Research |
| **CG** | Credit to Government |
| **CIC** | Currency-in-Circulation |
| **CIFTS** | Central Bank Interbank Funds Transfer System |
| **CIS** | Commonwealth of Independent States |
| **CIT** | Companies Income Tax |
| **COB** | Currency Outside Banks |

| | |
|---|---|
| **COBEC** | Code of Business Ethics and Conduct |
| **COPAL** | Cocoa Producers' Alliance |
| **CPS** | Credit to the Private Sector |
| **CPI** | Consumer Price Index |
| **CP** | Commercial Paper |
| **CRMS** | Credit Risk Management System |
| **CRR** | Cash Reserve Requirement |
| **CSAR** | Country Self-Assessment Report |
| **CSCS** | Central Securities Clearing System |
| **CSOs** | Civil Society Organisations |
| **DFIs** | Development Finance Institutions |
| **DHs** | Discount Houses |
| **DLF** | Direct Lending Facility |
| **DISCOs** | Distribution Companies |
| **DMBs** | Deposit Money Banks |
| **DMO** | Debt Management Office |
| **DS** | Development Stocks |
| **EBP** | Electronic Budgeting and Planning |
| **EBSCO Host** | EBSCO host Research Database |
| **ECA** | Economic Commission for Africa |
| **ECOWAS** | Economic Community of West African States |
| **EDCs** | Entrepreneurship Development Centres |
| **EEG** | Export Expansion Grant |
| **e-FASS** | Electronic Financial Analysis and Surveillance System |
| **EFCC** | Economic and Financial Crimes Commission |
| **EMDCs** | Emerging Markets and Developing Economies |
| **e-Money** | Electronic Money |
| **EMS** | Enterprise Management and Security |
| **ERP** | Enterprise Resource Planning |
| **ETF** | Education Tax Fund |
| **FAAC** | Federation Accounts Allocation Committee |
| **FCs** | Finance Companies |
| **FCT** | Federal Capital Territory |
| **FDI** | Foreign Direct Investment |
| **FGN** | Federal Government of Nigeria |
| **FHAN** | Finance Houses Association of Nigeria |
| **FIRS** | Federal Inland Revenue Service |
| **FITC** | Financial Institutions Training Centre |
| **FMF** | Federal Ministry of Finance |
| **fob** | Free on Board |
| **FRIN** | Forestry Research Institute of Nigeria |

| | |
|---|---|
| **FSS 2020** | Financial System Strategy 2020 |
| **G-24** | Group of Twenty-Four (G24) Developing Countries |
| **GDP** | Gross Domestic Product |
| **GENCOs** | Generation Companies |
| **GES** | Growth Enhancement Scheme |
| **GSM** | Global System of Mobile Communications |
| **IAS** | International Accounting Standards |
| **IBRD** | International Bank for Reconstruction and Development |
| **ICCO** | International Cocoa Organisation |
| **ICO** | International Coffee Organisation |
| **IDA** | International Development Assistance |
| **IDMS** | Integrated Document Management System |
| **IEA** | International Energy Agency |
| **IFAD** | International Fund for Agricultural Development |
| **IFT** | Interbank Funds Transfer |
| **IGR** | Internally Generated Revenue |
| **IIP** | International Investment Position |
| **ILN** | Interactive Learning Network |
| **IMF** | International Monetary Fund |
| **IPI** | Information Publication Investment |
| **IPOs** | Initial Public Offerings |
| **IPPs** | Independent Power Plants |
| **ISPs** | Internet Service Providers |
| **IT** | Information Technology |
| **ITU** | International Telecommunications Union |
| **JSTOR** | Journal Storage |
| **JVCs** | Joint Venture Cash Calls |
| **KYC** | Know Your Customer |
| **LOKAP** | Lagos, Kano, Aba and Port-Harcourt |
| **LPFO** | Low Pour Fuel Oil |
| **LR** | Liquidity Ratio |
| **LROs** | Lead Research Organisations |
| **LVIFT** | Large Value Inter-bank Funds Transfer |
| **M1** | Narrow Money |
| **M2** | Broad Money |
| **mbd** | Million barrels per day |
| **MDGs** | Millennium Development Goals |
| **MFBs** | Microfinance Banks |
| **MICR** | Magnetic Ink Character Recognition |
| **MMDs** | Money Market Dealers |
| **MoU** | Memorandum of Understanding |

| | |
|---|---|
| **MPC** | Monetary Policy Committee |
| **MPR** | Monetary Policy Rate |
| **MRR** | Minimum Rediscount Rate |
| **MSME** | Micro Small and Medium Enterprises |
| **MTEF** | Medium-Term Expenditure Framework |
| **MYTO** | Multi-Year Tariff Order |
| **NACRDB** | Nigerian Agricultural, Cooperative and Rural Development Bank |
| **NACS** | Nigerian Automated Clearing System |
| **NAFDAC** | National Agency for Food, Drug Administration and Control |
| **NAICOM** | National Insurance Commission |
| **NAOC** | Nigeria Agip Oil Company |
| **NAPCON** | National Petroleum Company of Nigeria |
| **NAPRI** | National Animal Production Research Institute |
| **NBS** | National Bureau of Statistics |
| **NCS** | Nigeria Custom Service |
| **NDC** | Net Domestic Credit |
| **NDIC** | Nigeria Deposit Insurance Corporation |
| **NEEDS** | National Economic Empowerment and Development Strategy |
| **NEER** | Nominal Effective Exchange Rate |
| **NEPAD** | New Partnership for Africa's Development |
| **NERC** | National Electricity Regulatory Commission |
| **NERFUND** | National Economic Reconstruction Fund |
| **NEXIM** | Nigeria Export-Import Bank |
| **NFAs** | Net Foreign Assets |
| **NGC** | Nigerian Gas Company |
| **NGOs** | Non-Governmental Organisations |
| **NIBOR** | Nigerian Inter-Bank Offer Rate |
| **NICPAS** | Nigeria Cheque Printers Accreditation Scheme |
| **NITDF** | National Information Technology Development Fund |
| **NNPC** | Nigerian National Petroleum Corporation |
| **NPC** | National Population Commission |
| **NPSC** | National Payments System Committee |
| **NSE** | Nigerian Stock Exchange |
| **NSPFS** | National Special Programme for Food Security |
| **NSPM** | Nigerian Security Printing and Minting |
| **NTBs** | Nigerian Treasury Bills |
| **NWG** | National Working Group |
| **OAGF** | Office of the Accountant General of the Federation |
| **OARE** | Online Access to Research in the Environment |
| **OBB** | Open-Buy-Back |
| **ODA** | Overseas Development Assistance |

| | |
|---|---|
| **OFIs** | Other Financial Institutions |
| **OMO** | Open Market Operations |
| **OPEC** | Organisation of Petroleum Exporting Countries |
| **OTC** | Over-the-Counter |
| **P&A** | Purchase and Assumption |
| **PENCOM** | National Pension Commission |
| **PEP** | Politically Exposed Person |
| **PHCN** | Power Holding Company of Nigeria |
| **PIR** | Process Improvement and Redesign |
| **PMBs** | Primary Mortgage Banks |
| **PMS** | Portfolio Management System |
| **PoS** | Point-of-Sale |
| **PPT** | Petroleum Profit Tax |
| **PSI** | Policy Support Instrument |
| **PSV** | Payments System Vision |
| **QE** | Quantitative Easing |
| **RBDAs** | River Basins Development Authorities |
| **rDAS** | Retail Dutch Auction System |
| **REC** | Regional Economic Commission |
| **REER** | Real Effective Exchange Rate |
| **RRF** | Refinancing and Restructuring Fund |
| **RTEP** | Root and Tuber Expansion Project |
| **RTGS** | Real Time Gross Settlement |
| **S4** | Scripless Securities Settlement System |
| **SBUs** | Strategic Business Units |
| **SEC** | Securities and Exchange Commission |
| **SFU** | Special Fraud Unit |
| **SITC** | Standard International Trade Classification |
| **SMECGS** | Small and Medium Enterprises Credit Guarantee Scheme |
| **SMEDAN** | Small and Medium Enterprises Development Agency |
| **SMEEIS** | Small and Medium Enterprises Equity Investment Scheme |
| **SON** | Standards Organisation of Nigeria |
| **SPDC** | Shell Petroleum Development Company |
| **SSA** | Sub-Saharan Africa |
| **SSC** | South - South Cooperation |
| **SWETS** | SWETS Wise-Database Consolidators |
| **TCs** | Travellers' Cheques |
| **TFM** | Trust Fund Model |
| **TIB** | Temenos Internet Banking |
| **UAT** | User Acceptance Test |
| **UNIDO** | United Nations Industrial Development Organisation |

| | |
|---|---|
| **VAT** | Value Added Tax |
| **WABA** | West African Bankers Association |
| **WACB** | West African Central Bank |
| **WAIFEM** | West African Institute for Financial and Economic Management |
| **WAMA** | West African Monetary Agency |
| **WAMI** | West African Monetary Institute |
| **WAMZ** | West African Monetary Zone |
| **WB** | The World Bank |
| **wDAS** | Wholesale Dutch Auction System |

**GODWIN I. EMEFIELE CON**

*Governor, Central Bank of Nigeria*

## STATEMENT BY THE GOVERNOR

It is indeed my pleasure to present the Annual Report and Financial Statements of the Central Bank of Nigeria (CBN) for the year ended 31st December, 2014, the first since I took over as Governor of the CBN on 3rd June, 2014. In general, 2014 has been a very eventful and challenging year for the Bank, the country, and the world at large.

In the course of the year, the Bank underwent significant changes in its governance composition. To begin with, I wish to acknowledge the contributions of my predecessor, Mallam Sanusi L. Sanusi throughout his tenure as Governor of the CBN. Let me also use this opportunity to congratulate him and to convey the Bank's good wishes on his coronation as the 14th Emir of Kano. In addition, I acknowledge the contributions of two former Deputy Governors; Mr. Tunde O. Lemo – who completed his tenure on 10th January 2014 – and Dr. Kingsley C. Moghalu – whose term ended on 8th November 2014. Similarly, the contributions of Mr. Stephen O. Oronsaye who exited the Board are also hereby appreciated. I wish to congratulate Mr. Adebayo A. Adelabu on his appointment as a Deputy Governor. I also welcome and congratulate Mr. Stanley I. Lawson to the Board of the CBN. While the invaluable inputs of the outgoing Board members would be greatly missed, I believe that the contributions of the new appointees, with their backgrounds and wealth of experience, would be immeasurable in moving the Bank forward.

In 2014, the global economy witnessed considerable vulnerabilities characterized by fragile growth and weak economic outlook. Global growth recovery was modest and continued to be threatened by strong downside risks, as a result of sharp drop in commodity prices, escalating geo-political tensions, and heightening threats to financial markets that resulted from the reversal of monetary stimulus in the US. Aside from the elevated risks to capital flows following the end of the US Federal Reserve's Quantitative Easing Program, the key concern for the Nigerian economy was associated with the significant decline in global oil prices. During the year under review, the spot price of Nigeria's crude oil fell by over 50 per cent, from a peak of US$114.17 per barrel in June 2014 to US$63.19 per barrel by end-December 2014. This exerted a downward pressure on Nigeria's external reserves with an attendant loss in value from US$42.84 billion in January to US$34.24 billion at the end of the year. The latent and direct effects of the uncertainty associated with increases in oil price volatility raised speculative activities in the domestic foreign exchange market and thereby intensified demand pressure that caused a weakening of the Naira in all windows during the course of the year.

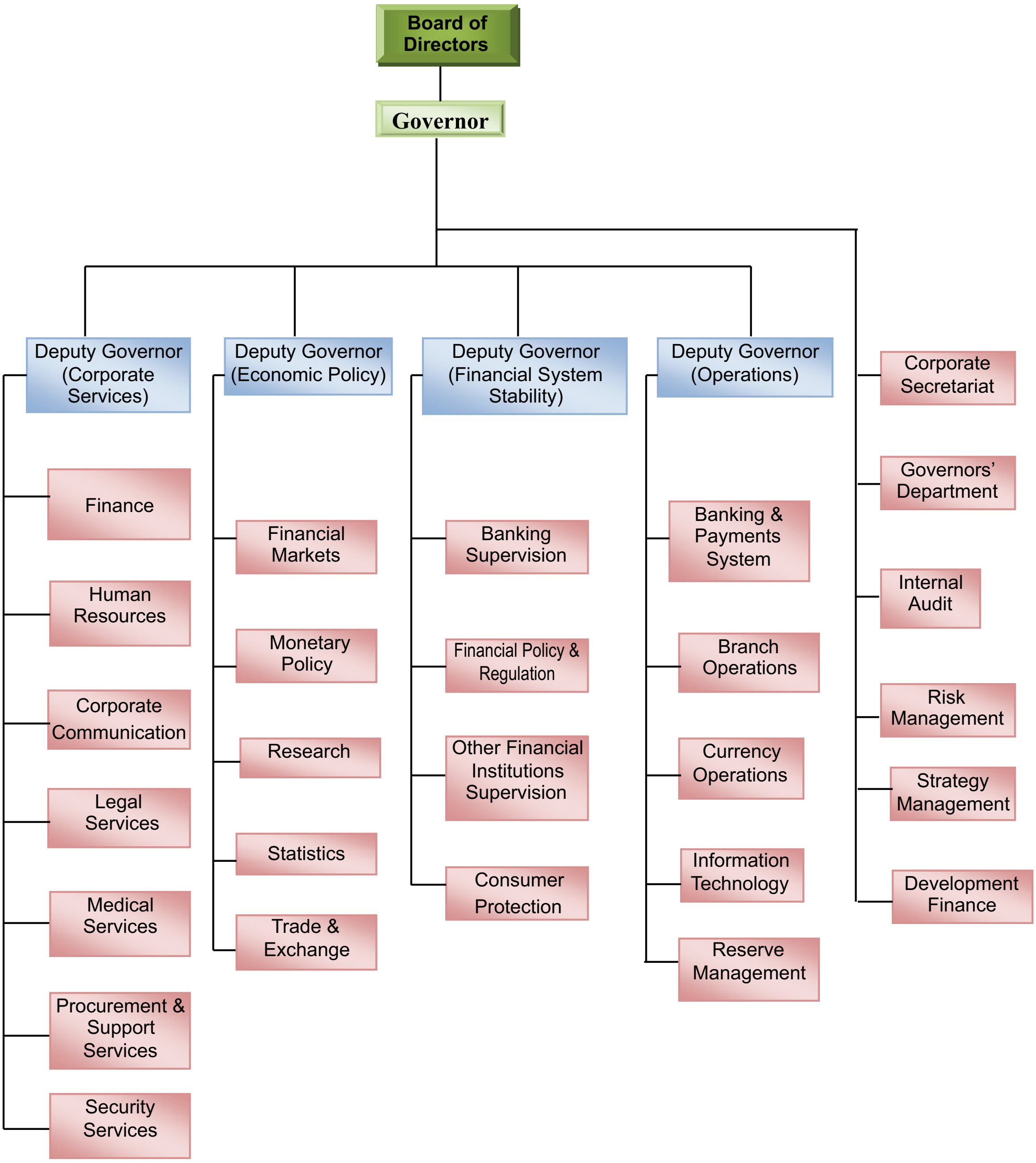
During the year under review, the Nigerian economy displayed uncommon resilience against the strong global headwinds, especially when compared to its peers, as well as when contrasted with the spillover effects of the aforementioned exogenous factors it confronted during the year. The country's financial system continues to look good, based on fundamental measures of macroeconomic stability, even though there is always room for improvement. Efforts at the continued diversification of the economy away from over-reliance on oil are beginning to pay off in this regard. Based on the rebased Gross Domestic Product (GDP), the economy expanded by 6.2 per cent in 2014 compared to 5.5 per cent in 2013, the global growth rate of 3.3 per cent in 2014, and the growth rate of 4.4 per cent recorded by emerging and developing countries in 2014. The robust expansion in 2014 reflected the significant growth in key non-oil sectors especially services, agriculture and industry. In addition, the economy enjoyed a considerable degree of price stability as year-on-year consumer price inflation remained within the target band of 6 to 9 per cent across all three measures of inflation during the year.

This non-oil driven economic growth is expected to remain impressive in the coming year, especially following the various interventions of the CBN in the real sector. The CBN's developmental initiative at supporting the real sector has been very significant in this aspect. As part of its developmental function, the Bank signed MoUs with various key stakeholders in the power sector and intends to disburse the first tranches to qualifying Generation companies (GENCOs) and Distribution companies (DISCOs) by the first quarter of the coming year. In this regard, the CBN will continue its leading initiatives at supporting and promoting direct intervention in the real sector including the agriculture, manufacturing, power, MSME, and aviation sectors. We believe this will boost domestic supply capacity, reduce demand for import-related foreign exchange, and situate the economy more strategically to withstand oil price shocks.

I will like to conclude by expressing my profound gratitude to the Board, Management and Staff of the Central Bank of Nigeria for their support, dedication, hard work and loyalty, which contributed immensely to the success recorded in 2014. On behalf of the Board of Directors of the Bank, I am also grateful to the Presidency, the leadership of the National Assembly, Honourable Ministers of the Federal Republic, Nigeria's development partners, the organized private sector, as well as other stakeholders for their sustained support and cooperation.

**Godwin I. Emefiele, CON**
Governor,
Central Bank of Nigeria
December 2014

## Organisational Structure of the CBN as at 31st December, 2014



# CENTRAL BANK OF NIGERIA
# ANNUAL REPORT
# FOR THE YEAR ENDED DECEMBER 31, 2014

## SUMMARY

This Annual Report reviews the policies and operations of the Central Bank of Nigeria (CBN) and the macroeconomic outcomes in 2014, in line with its mandate of ensuring monetary and price stability. The Bank retained the restrictive monetary policy stance that commenced in 2011, amidst some headwinds, including low international crude oil prices, capital reversal and demand pressure in the foreign exchange market. The policy focused on moderating the level of banking system liquidity consistent with the price stability objective conducive to sustainable economic growth. Consequently, the Bank implemented a range of policy measures aimed at ensuring efficiency of the financial markets and a steady flow of credit to the real economy. These measures supported the achievement of a growth rate of 6.2 per cent and the single digit inflation rate of 8.0 per cent at end-2014. The Report is structured into two parts. Part 1 highlights the corporate operations of the Bank, while Part II appraises the performance of the economy against the backdrop of policy measures taken to engender macroeconomic stability and growth.

## CORPORATE ACTIVITIES

**The Board of Directors and Other Committees**

The membership of the Board of Directors of the CBN changed during the review year following the expiration of the tenure of the Governor, Sanusi Lamido Sanusi; two (2) Deputy Governors, Tunde O. Lemo and Kingsley C. Moghalu; and one (1) Non-Executive Director, Stephen O. Oronsaye. A Governor, Godwin I. Emefiele; one (1) Deputy Governor, Adebayo A. Adelabu; and one (1) Non-Executive Director, Stanley I. Lawson, were appointed by the President as replacements. Consequently, at end-December 2014, the number of Board members was eleven (11) and comprised the Governor, Godwin I. Emefiele (Chairman); three (3) Deputy Governors, namely Adebayo A. Adelabu (Corporate Services), Sarah O. Alade (Economic Policy), Suleiman A. Barau (Operations); and seven (7) Non-Executive Directors. The Non-Executive Directors were: Anthony A. Adaba, Collins C. Chikeluba, Ayuli Jemide, Muhammed M. Kafarati, Stanley I. Lawson, Jonah O. Otunla (Accountant General of the Federation (AGF)) and Anastasia M. Daniel-Nwaobia (Permanent Secretary, Federal Ministry of Finance). At the end of 2014, the position of one (1) Deputy Governor remained vacant.

The Board held six (6) regular meetings and one (1) extraordinary meeting. The Committee of Governors met forty-five (45) times, while the Governor's Consultative Committee held ten (10) meetings. The Finance and General Purpose Committee held six (6) meetings, while the Establishment and the Financial System Stability Committees held five (5) meetings each. The Remuneration, Ethics and Anti-Corruption Committee held two (2) meetings, while the Corporate Strategy Committee met once. The Audit & Risk Management; the Investment; and the Pension Fund Management Committees met three (3) times each.

**The Monetary Policy Committee**

The Monetary Policy Committee (MPC) held six (6) regular meetings at which major global and domestic economic developments were reviewed and appropriate monetary policy decisions taken. The decisions of the MPC were promptly communicated to the public.

## MONETARY POLICY, SURVEILLANCE ACTIVITIES AND OPERATIONS OF THE CBN

The Bank retained the restrictive monetary policy stance in view of the persisting liquidity surfeit in the banking system and the consequent demand pressure in the foreign exchange market. To this end, the Bank implemented a range of policy measures aimed at ensuring efficiency of the financial markets and the steady flow of credit to the real economy. These included increasing the MPR from 12.0 to 13.0 per cent and the cash reserve ratio (CRR) on private and public sector deposits from 12.0 to 20.0 per cent and 50.0 to 75.0 per cent, respectively. However, the symmetric corridor of +/-200 basis points around the MPR and deposit money banks' (DMBs') Liquidity Ratio (LR) of 30.0 per cent were retained in the review period. Furthermore, the net foreign currency trading position limit (formerly called the net open position (NOP) limit) of 1.0 per cent was reviewed downward to zero to curb demand pressure in the foreign exchange market. The Bank continued the use of the Open Market Operations (OMO) instrument, complemented by macro-prudential reserve requirements, standing facilities, tenored repurchase transactions, sale of treasury instruments at the primary market, and foreign exchange market interventions as major tools of monetary management.

Despite the tight monetary policy stance of the Bank, growth in monetary aggregates exceeded the indicative benchmarks for fiscal 2014. Growth in broad money supply (M2) stood at 20.6 per cent, that is, above its indicative benchmark of 14.5 per cent. Also, growth in aggregate bank credit stood at 32.6 per cent, above its benchmark of 28.5, while credit to the private sector stood at 11.9 per cent, below its benchmark of 15.8 per cent. Rates at all segments of the money market were generally lower than the levels in 2013 and remained relatively stable in the first ten months of 2014, but rose in the last two months of the year following an upward review of the monetary policy rate and reserve requirements, as well as the widening of the foreign exchange rate band.

At 21.0 per cent, the depth of the financial sector, measured by the ratio of M2 to gross domestic product (GDP), increased from 19.4 per cent recorded at end-December 2013.

Similarly, the banking system's capacity to finance the economy, measured by the ratio of credit to the private sector to GDP (CP/GDP) rose slightly from 20.0 per cent at end-December 2013 to 20.1 per cent at end-December 2014.

The structure of the financial system remained unchanged and comprised the CBN, the Nigeria Deposit Insurance Corporation (NDIC), the Asset Management Corporation of Nigeria (AMCON), the Securities and Exchange Commission (SEC), the National Insurance Commission (NAICOM), the National Pension Commission (PENCOM), the Federal Mortgage Bank of Nigeria (FMBN), twenty-four (24) banks, three (3) discount houses, eight hundred and eighty-four (884) microfinance banks, sixty-four (64) finance companies, forty-two (42) primary mortgage banks, two thousand, five hundred and twenty-three (2,523) bureaux-de-change (BDCs), three (3) private credit information bureaux, one (1) stock exchange, one (1) commodity exchange, one (1) mortgage refinance company, and six (6) development finance institutions.

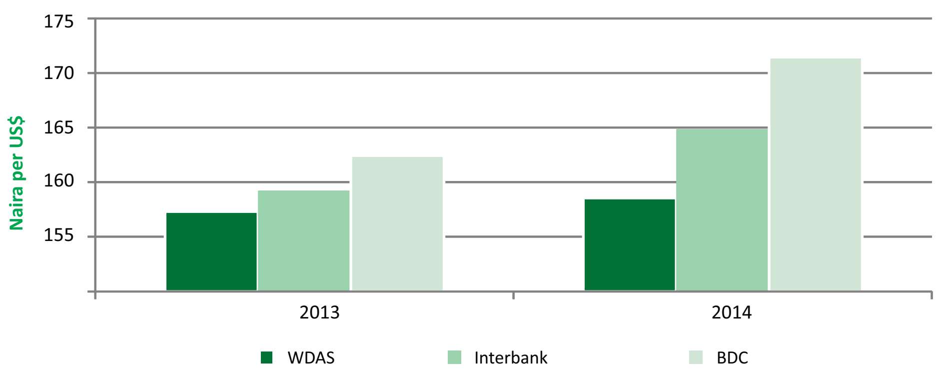
The Bank continued with its surveillance of financial institutions to ensure the safety and soundness of the financial system. It adopted various approaches, including risk-based supervision, review and regular appraisal of banks' periodic returns, spot checks, monitoring, and special investigations. The Bank intensified efforts at enhancing capacity and information sharing among supervisors of the financial system in Nigeria and in other jurisdictions in the review year. The Bank also signed a number of memoranda of understanding (MoUs) with regulators in other jurisdictions on mutual cooperation and collaboration in the regulation and supervision of financial institutions. To ensure compliance with extant laws and regulations, and determine risk exposure and mitigation in the industry, the Bank conducted on-site examination of foreign subsidiaries of Nigerian banks. In furtherance of efforts to strengthen good governance practices in the banking industry, the CBN issued a revised code of corporate governance for banks and discount houses in Nigeria, as well as guidelines for whistle-blowing to banks and other financial institutions. The Bank intensified implementation of the Bank Verification Number (BVN) Scheme by stipulating guidelines and the extension of its coverage to other financial institutions (OFIs) customers, principally the MFBs to further integrate them into the mainstream financial system, promote financial inclusion and enhance the payments system.

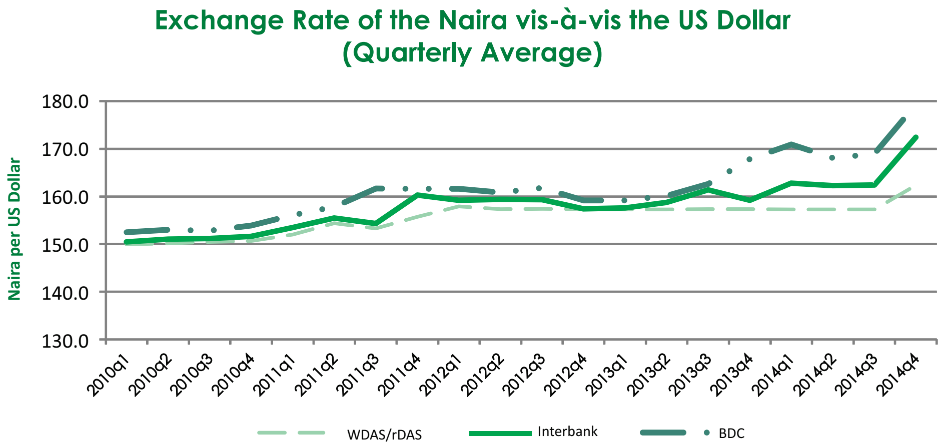
The health of the banking sector was generally sound. The industry average CAR for banks stood at 15.9 per cent, compared with the average of 17.2 per cent at end-December 2013 and the minimum threshold of 10.0 and 15.0 per cent for banks with national and international authorisation, respectively. In addition, the asset quality of banks, measured by the ratio of non-performing loans to industry total, further improved, as it declined from 3.2 per cent at end-December 2013, to 2.9 per cent, and remained below the industry threshold of 5.0 per cent. The average industry liquidity ratio (LR) stood at 45.9 per cent, compared with 50.6 per cent at end-December 2013, and exceeded the prescribed LR by 15.9 percentage points. The Bank strengthened its collaboration with domestic and international stakeholders on many fronts. To curb the financing of terrorism, the Bank partnered with the International Monetary Fund (IMF) to develop off-site risk assessment tools (ORAT), including the Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) risk assessment matrix which would serve as the platform for the implementation of the AML/CFT Risk Based Supervision (RBS) in the banking industry. It also made input into the review of the Money Laundering Prohibition Act 2011 and the Terrorism Prevention Act 2011 aimed at strengthening the provisions contained in the extant Acts and to meet international standards.

*The health of the banking sector was generally sound as their asset quality improved substantially at end-December 2014.*

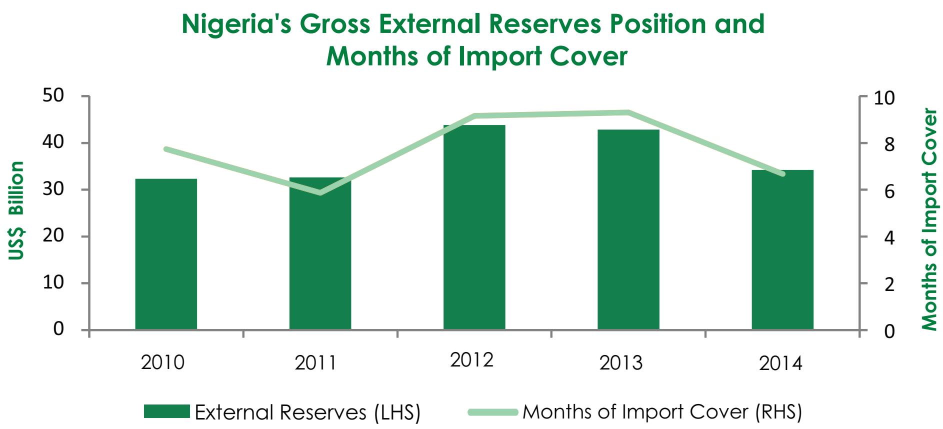
The exchange rate of the naira to the US dollar at the three segments of the foreign exchange market was relatively stable from January through November 2014, after which excessive demand and capital reversal resulted in the volatility of the rate for the rest of 2014. To ensure market stability, the Bank introduced policies and reforms to curb rent-seeking in the spot and BDC segments. The annualised average exchange rate of the naira vis-à-vis the US dollar at the rDAS segment depreciated by 0.8 per cent, from the level in 2013, to ₦158.55 per US dollar. Similarly, at the inter-bank and BDC segments, the naira depreciated by 3.4 per cent to ₦164.88/US$ and 5.3 per cent to ₦171.45/US$, respectively. Consequently, the premium between the annual average rDAS/inter-bank and rDAS/BDC rates widened to 4.0 and 8.1 per cent in 2014, from 1.2 and 3.3 per cent in 2013, respectively. The rDAS/BDC premium exceeded the internationally acceptable benchmark of 5.0 per cent.

**Average Exchange Rate of the Naira per US Dollar**






At US$34.24 billion, external reserves declined by 20.1 per cent from the level at end-December 2013. The import cover also declined to 6.7 months (goods only), compared with the 9.3 months of import cover in 2013, but was higher than the international benchmark and the West African Monetary Zone (WAMZ) convergence criterion of 3 months a piece.




The CBN guaranteed 72,322 loans valued at ₦12.99 billion under the Agricultural Credit Guarantee Scheme (ACGS) in 2014, bringing the total number of loans guaranteed since inception of the Scheme in 1978 to 931,863, valued at ₦84.5 billion. Under the Trust Fund Model (TFM), the number of placements remained at fifty-eight (58), valued at ₦5.65 billion at end-December 2014. Under the Commercial Agriculture Credit Scheme (CACS), the sum of ₦36.92 billion was accessed by thirteen (13) DMBs for sixty-nine (69) private projects (51 new projects and 18 enhancements) in 2014. The cumulative amount disbursed under the CACS at end-December 2014 stood at ₦263.03 billion for 346 projects (310 private and 36 state governments), with an undisbursed balance of ₦0.17 billion. Under the Refinancing and Restructuring Fund (RRF), the sum of ₦74.23 billion was disbursed for 13 projects in 2014, bringing the cumulative disbursements since the inception of the Scheme to date to ₦339.73 billion (including ₦104.73 billion from the repayment account) for 601 projects. The CBN guaranteed sixteen (16) projects, valued at ₦686.87 million under the Small and Medium Enterprises Credit Guarantee Scheme (SMECGS), bringing the cumulative number of projects guaranteed under the Scheme since its inception in April 2010 to eighty-one (81), valued at ₦3.77 billion. The sum of ₦4.63 billion was disbursed to eighteen (18) participating financial institutions/states (13 PFIs, 5 state governments) under the commercial component of the Micro, Small and Medium Enterprises Development Fund (MSMEDF) in 2014. The sum of ₦3.70 billion was released under the Power and Airline Intervention Fund (PAIF) to the Bank of Industry (BOI) for disbursement to participating DMBs for three (3) projects. A cumulative amount of ₦236.35 billion for fifty-three (53) projects had been released to the BOI under the Scheme since inception. Under the Nigeria Incentive-based Risk Sharing System (NIRSAL), eighteen (18) credit risk guarantees (CRGs), valued at ₦6.41 billion from ten (10) counter parties were approved in 2014. This brought the cumulative number of CRGs issued to sixty (60), valued at ₦20.63 billion.

*Sixteen (16) projects valued at N0.69 billion were guaranteed under the SMECGS in 2014, bringing the cumulative funds guaranteed under the programme to N3.77 billion.*

The Bank continued with the modernisation of its IT infrastructure through the delivery of the Enterprise Systems Management (ESM) project. The system is expected to improve the monitoring, security and effective management of the Bank's IT infrastructure. In June 2014, the Bank was re-certified on the international code of practice for information security (ISO27001). In addition, the Bank's Corporate Contact Centre was commissioned and the Centre's Service Desk fully deployed. Furthermore, the Form "M" documentation process was automated resulting in the reduction of processing period from 5-7 days to 2 hours. The Bank also implemented the Enterprise Architecture Portal to provide appropriate information and intelligence for enhanced decision-making.

*The Bank continued with the modernisation of its IT infrastructure through the delivery of the Enterprise Systems Management (ESM) project.*

The number of new appointments and hires in the Bank in 2014 stood at two hundred and forty-four (244), made up of eighty-four (84) females and one hundred and sixty (160) males. These comprised the Governor and one (1) Deputy Governor appointed by the President, three (3) executives, one hundred and seventy-nine (179) senior and sixty (60) junior staff. During the review period, the tenure of the former Governor and two (2) Deputy Governors ended. The Bank lost the services of twenty-six (26) staff through death; thirteen (13), voluntary retirements; one hundred and seventy-four (174), mandatory retirement; one (1) case of withdrawal of service; and nine (9) resignations. Furthermore, six (6) staff had their appointments terminated and twenty-seven (27) were dismissed.

Accordingly, the staff strength stood at 6,588, compared with 6,606 at end-December 2013.

The Bank's manpower development strategy focused on aligning learning with its strategic business needs to enhance staff competencies to achieve its mandate. In this regard, three thousand, and fifty-four (3,054) staff participated in one hundred and fifty-six (156) training programmes in 2014. Analysis of local training by gender indicated that male staff received 1,995 training slots, while their female counterparts had 842. Similarly, 171 male and 46 female staff participated in foreign trainings during the year. The Bank's International Training Institute (ITI) in Abuja commenced operations. The Institute specialises in high-level capacity building for the public and private sectors. The Bank continued its research and collaborative programmes in 2014 with stakeholders in the economy.

# ECONOMIC REPORT

## The Global Economy

In 2014, the global economy grew by 3.3 per cent, the same as in 2013. Global output growth, which received a boost from lower oil prices, was, however, dampened by weak recovery in the euro area, and the recession in Japan due to the negative effect of consumption tax increase on demand. In the advanced economies, growth strengthened from 1.3 per cent in 2013 to 1.8 per cent, driven largely by the performance of the United States, the United Kingdom and Canada. Growth in the United States was 2.4 per cent, up from 2.2 per cent in 2013, bolstered by stronger domestic demand supported by lower oil prices, declining unemployment, a moderate fiscal adjustment and a largely accommodative monetary policy. In the euro area, growth was 0.8 per cent, in contrast to negative 0.5 per cent growth in 2013. The modest growth recorded in the euro area was supported by lower oil prices, continued monetary easing, a more neutral fiscal policy stance, and the depreciation of the euro.

*Global output grew by 3.3 per cent in 2014 dampened by weaker recovery in the euro area, recession in Japan and binding supply side constraints in emerging market and developing countries*

Growth in the emerging markets and developing economies (EMDCs) declined to 4.4 per cent from 4.7 per cent in 2013, due mainly to the continuing slowdown in China, the weak performance of Russia and other commodity exporting countries. China grew by 7.4 per cent in 2014, down from 7.8 per cent in 2013, due, largely, to lower investment growth, a lull in credit growth, and the continued moderation in real estate activity. Russia's growth declined from 1.3 per cent in 2013 to 0.6 per cent, largely on account of a sharp depreciation in the rubble, declining oil prices, the effects of the US-led NATO sanctions and geo-political tensions over Ukraine. Growth in sub-Saharan Africa declined to 4.8 per cent in 2014, from 5.2 per cent in 2013, occasioned by lower oil and other commodity prices.

Consumer prices were generally low in 2014 in most regions, driven mainly by persisting output gaps, coupled with concerns about deflation and softening commodity prices. World trade grew by 3.8 per cent, up from 3.0 per cent in 2013, which, however, remained below the 20-year average of 5.3 per cent. The global financial markets in 2014 were influenced by the gradual normalisation of US monetary policy, and the associated capital reversals from EMDCs, leading to pressure in currency markets.

The 2014 Spring and Annual Meetings of the Bretton Woods Institutions, were held at the side lines of the meetings of the Ministers of Finance of the Group of Twenty-Four (G-24) countries, the International Monetary and Finance Committee (IMFC) and the

Development Committee (DC), among others, in Washington D. C., USA from April 7–13 and October 6–13, 2014, respectively. The G-24 Ministers noted that although the economic fundamentals in most EMDCs were generally strong, there were global economic headwinds arising from the slower-than-expected growth in the euro area, Japan, and some EMDCs. Furthermore, they noted that disruptive capital flows and exchange rate volatility associated with the exit from unconventional monetary policy by some advanced economies (AEs), geo-political tensions, and sharp corrective action in financial markets remained the critical risk factors. The IMFC advised that priority be given to bolstering growth, while ensuring resilience and sustainability through the implementation of critical structural reforms and the continuation of accommodative macroeconomic policies in economies experiencing idle capacity. On the other hand, the DC noted that investment in infrastructure, including energy, was crucial to sustaining economic growth and ensuring shared prosperity. It, therefore, encouraged the World Bank Group (WBG) and the IMF to continue to support improvements in infrastructure, particularly sustainable energy. The World Economic Forum (WEF) on Africa was held in Abuja, Nigeria, from May 7-9, 2014 on the theme "Forging Inclusive Growth, Creating Jobs". The Forum noted that at least US$68 billion worth of investment commitments, in the form of foreign direct investments, including public and private across the continent were urgently required to kick-start inclusive growth in Africa.

*The Bretton-Woods Institutions recommends critical structural reforms in all countries and continuation of accommodative macroeconomic policies in economies experiencing idle capacity*

The 49th Annual Meeting of the Board of Governors of the AfDB and the 40th Annual meeting of the African Development Fund under the theme "The Next 50 Years – The Africa We Want" were held in Kigali, Rwanda, from May 19 – 23, 2014. The theme focused on Africa's transformation agenda and how the continent could grow its economy through diversification, export competitiveness, increased productivity, integration and technological innovation by broader collaboration between the public and private sectors.

The Joint African Union (AU) Conference of Ministries of Economy and Finance, and Economic Commission for Africa (ECA) Conference of African Ministers of Finance, Planning, and Economic Development, was held in Abuja from March 29-30, 2014. The Conference emphasised the need for Africa to refocus her economic development strategies on industrialisation, while urging the expansion of central banks' mandates to include development financing and credit facilitation to development finance institutions.

The 31st Statutory Meetings of the West African Monetary Zone (WAMZ) were held from July 14–17, 2014 in Abuja, Nigeria. The WAMZ Convergence Council noted, among others, the decision of ECOWAS Heads of State and Government endorsing the single-track approach to monetary union by 2020 and urged member states to work assiduously towards meeting the target date by ensuring that the ECOWAS convergence criteria are domesticated and integrated into their national economic management frameworks.

## The Domestic Economy

### Fiscal Operations of Government

The consolidated revenue and expenditure of the general government in 2014 was ₦8,964.4 billion and ₦10,184.2 billion, respectively. Consequently, the combined fiscal operations resulted in an overall deficit of ₦1,219.8 billion or 1.4 per cent of GDP.

Total federally-collected[1] revenue rose by 3.2 per cent to ₦10,068.9 billion in 2014, relative to the level in 2013, and constituted 11.3 per cent of GDP. The development was attributed to enhanced receipts from non-oil revenue, particularly from Corporate tax, which rose by 22.5 per cent. Analysis of the receipts revealed that oil revenue (gross) was ₦6,793.8 billion, representing 67.5 per cent of the total (7.6% of GDP), while non-oil revenue (gross), at ₦3,275.0 billion, accounted for 32.5 per cent of total revenue (3.7% of GDP).

The sum of ₦7,540.3 billion, representing an increase of 0.7 per cent over the level in 2013, was retained in the Federation Account after statutory deductions. Of this amount, ₦762.4 billion, ₦295.3 billion and ₦412.0 billion were transferred to the VAT Pool Account, the FG Independent Revenue, and 'other transfers', respectively, leaving a net revenue of ₦6,070.5 billion. In addition, the sums of ₦426.6 billion, ₦135.1 billion, ₦76.0 billion, ₦23.0 billion and ₦230.7 billion were drawn from the Excess Crude Account in respect of the Subsidy Re-investment and Empowerment Programme (SURE-P), the Nigeria National Petroleum Corporation (NNPC) refunds, share of excess crude revenue, exchange gain and share of excess non-oil revenue, respectively. These amounts were added to the federally-collected revenue (net) to raise the distributable balance to ₦6,961.9 billion. This was shared among the three tiers of government as follows: the Federal Government (including Special Funds) received the sum of ₦3,290.0 billion; state governments, ₦1,681.5 billion; and local governments, ₦1,296.2 billion; while the sum of ₦694.2 billion was shared among the oil-producing states as 13% Derivation Fund. Similarly, the sum of ₦762.5 billion transferred into the VAT Pool Account was shared among the Federal (including the FCT), state and local governments in the ratio of 15.0, 50.0 and 35.0 per cent, respectively.

At ₦3,751.7 billion, the Federal Government-retained revenue was lower than the ₦4,031.8 billion recorded in 2013 and the 2014 budget estimate of ₦4,268.1 billion by 6.9 and 12.1 per cent, respectively. Aggregate expenditure of the Federal Government, at ₦4,587.4 billion in 2014, declined by 11.5 per cent and was lower than the ₦5,232.3 billion budget benchmark for 2014 by 12.3 per cent. The fiscal operations of the Federal Government

[1]Collections accrued into Federation Account

resulted in an overall deficit of ₦835.7 billion, or 0.9 per cent of GDP, compared with the deficit of ₦1,153.5 billion, or 1.4 per cent of GDP, in 2013. Provisional data on state government finances indicated an overall deficit of ₦311.0 billion or 0.4 per cent of GDP, while that of local governments reflected a surplus of ₦0.9 billion or 0.001 per cent of GDP. The consolidated Federal Government debt stock, at end-December 2014, was ₦9,551.9 billion or 10.7 per cent of GDP, compared with ₦8,506.4 billion or 10.6 per cent of GDP in 2013. At US$9.7 billion (₦1,647.9 billion), external debt grew by 10.1 per cent, reflecting drawdown on multilateral loans, and the domestic component grew by 11.0 per cent over its level in 2013 to ₦7,904.0 billion.

**The Real Sector**

Estimated real Gross Domestic Product (GDP), measured at 2010 constant basic prices, grew by 6.2 per cent, compared with the 5.5 per cent recorded in 2013. The services sector, with a share of 36.2 per cent, accounted for the largest contribution of 2.6 percentage points to the GDP growth. This was followed by industry, trade, agriculture and construction with 1.2, 1.0, 1.0 and 0.5 percentage points, respectively. The non-oil sector remained the growth pole of the economy, recording a growth of 7.2 per cent in 2014, compared with 8.4 per cent in 2013. The increase in domestic output was attributed to increased agricultural production supported by favourable weather conditions, sustained growth of the telecommunications sub-sector, and the renewed effort to curb crude oil theft, among others.

*Estimated real Gross Domestic Product (GDP), measured at 2010 basic prices, grew by 6.2 per cent, compared with 5.5 per cent in 2013.*

**Sectoral Share in GDP, 2010–2014**

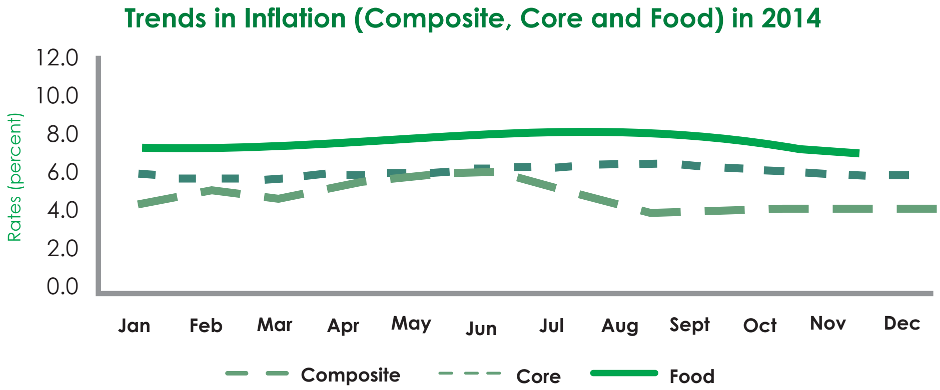
**Growth Rate of Major Sectors of Non-oil GDP, 2010–2014**


**Average Spot Price of Nigeria's Reference Crude: Bonny Light (Quarterly Average)**


Source: Reuters

Inflation was contained within the single digit target in 2014 owing to the efficacy of monetary and fiscal policies and increased agricultural production. Headline inflation (year-on-year) fell from 8.0 per cent at end-January 2014 to 7.8 per cent at end-March 2014. It, however, rose to 8.2 per cent at end-June 2014 and further to 8.3 per cent at end-September 2014, before moderating to 8.0 per cent at end-December 2014. Similarly, core inflation (all-items, less farm produce), which stood at 6.6 per cent at end-January 2014, rose to 8.1 per cent at end-June 2014, and thereafter declined to 6.3 per cent at the end of the third quarter of 2014 before closing at 6.2 per cent at end-December 2014. Food inflation, which stood at 9.3 per cent at end-January 2014, increased to 9.8 per cent at end-June 2014 before trending downwards to 9.2 per cent at end-December 2014.

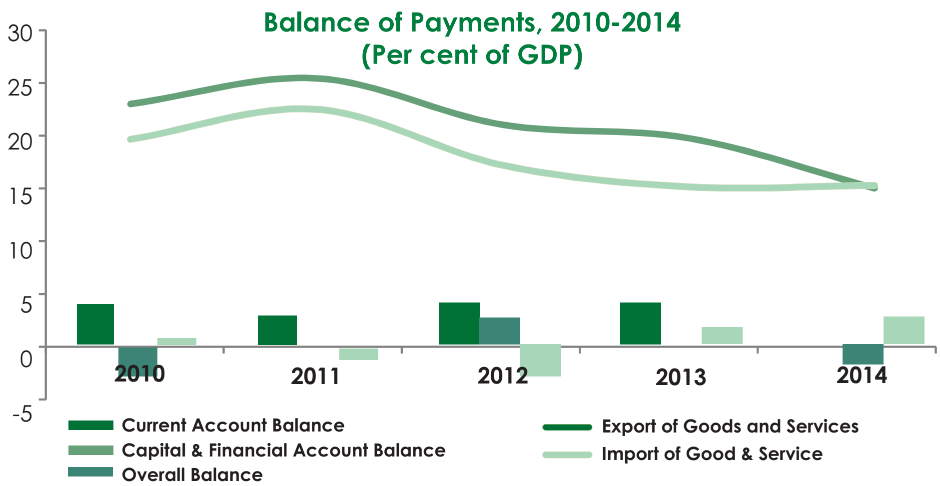
*Inflation was contained within the single digit target throughout the year.*




**The External Sector**

The external sector was under pressure with an estimated overall deficit of ₦1,329.3 billion (US$8.45 billion) or 1.7 per cent of GDP. This reflected the drawdown on external reserves due to capital reversals and a lower trade balance resulting from international crude oil price shocks. The current account posted a lower surplus equivalent to 0.3 per cent of GDP, down from 3.7 per cent in 2013. The development was due to lower export receipts, higher deficits in the services account and lower remittance inflow. Transactions in the capital and financial account resulted in a net liability of ₦2,064.78 billion (US$13.13 billion) or 2.6 per cent of GDP. This outcome reflected lower inflows in both foreign direct and portfolio investments as well as capital reversals. The International Investment Position (IIP) indicated a net liability of US$60.5 billion, compared with US$35.7 billion in 2013. The stock of external reserves declined by 20.1 per cent to US$34.2 billion and could support 6.7 months of import (goods only), which exceeded the 3 months specified for both the international benchmark and the convergence criterion for the West Africa Monetary Zone (WAMZ).

*The external sector was under pressure in 2014 due to the decline in external reserves, rising external debt and increased repatriation of investment income.*



## Selected Macroeconomic and Social Indicators

| Indicator | 2010 /1 | 2011 /1 | 2012 /1 | 2013 /1 | 2014 /2 |
|---|---|---|---|---|---|
| Domestic Output and Prices | | | | | |
| GDP at Current Mkt Prices ( ₦ billion) | 55,469.4 | 63,713.4 | 72,599.6 | 81,010.0 | 90,137.0 |
| GDP at Current Mkt Prices (US$ billion) | 369.1 | 414.1 | 461.0 | 515.0 | 568.5 |
| GDP per Capita ( ₦) | 348,232.1 | 387,584.7 | 427,947.8 | 462,716.7 | 498,884.5 |
| GDP per Capita (US$) | 2,316.9 | 2,519.0 | 2,717.1 | 2,941.4 | 3,146.5 |
| Real GDP Growth (%) | n. a. | 5.3 | 4.2 | 5.5 | 6.2 |
| Oil Sector | n. a. | 2.3 | (4.9) | (13.1) | (1.3) |
| Non-oil Sector | n. a. | 5.8 | 5.8 | 8.4 | 7.2 |
| Sectoral GDP Growth (%) | | | | | |
| Agriculture | n. a. | 2.9 | 6.7 | 2.9 | 4.3 |
| Industry 3/ | n. a. | 8.0 | 2.2 | 1.8 | 7.0 |
| Services 4/ | n. a. | 5.1 | 4.1 | 8.5 | 6.7 |
| Oil Production (mbd) | 2.1 | 2.2 | 2.1 | 1.9 | 1.9 |
| Manufacturing Capacity Utilisation (%) | 56.2 | 56.3 | 56.8 | 57.8 | 59.6 |
| GDP Deflator Growth (%) 5/ | n. a. | 9.5 | 9.3 | 5.9 | 4.7 |
| Inflation Rate (%) (Dec-over-Dec) | 11.8 | 10.3 | 12.0 | 8.0 | 8.0 |
| Inflation Rate (%) (12-month moving average) | 13.7 | 10.8 | 12.2 | 8.5 | 8.0 |
| Core Inflation Rate (%) (Dec-over-Dec) 6/ | 10.9 | 10.8 | 13.7 | 7.9 | 6.2 |
| Core Inflation Rate (%) (12-month moving average) 6/ | 12.4 | 11.7 | 13.9 | 7.7 | 6.9 |
| Aggregate Demand and Savings (% of GDP) 7/ | | | | | |
| Aggregate Demand | n.a. | -3.3 | 0.2 | 15.6 | 4.2 |
| Private Final Consumption Expenditure | n.a. | -3.1 | 0.0 | 21.1 | 2.0 |
| Government Final Consumption Expenditure | n.a. | 4.6 | -2.0 | -10.3 | 5.6 |
| Gross Fixed Capital Formation | n.a. | -8.2 | 2.6 | 7.9 | 13.4 |
| Increase in Stock | n.a. | -0.5 | 20.1 | 7.0 | 5.1 |
| Net Export of Goods and Non-factor Services | n.a. | 100.0 | 26.2 | -40.1 | 24.7 |
| Export of Goods and Non-factor Services | n.a. | 25.8 | -3.6 | -21.7 | 15.6 |
| Import of Goods and Non-factor Services | n.a. | -7.8 | -32.9 | 12.2 | 6.7 |
| Domestic Saving | n.a. | 32.7 | 13.9 | -22.5 | 22.9 |
| Gross National Saving | n.a. | 25.9 | 14.7 | -18.4 | 17.7 |
| Public Finance (% of GDP) | | | | | |
| General Government | | | | | |
| Revenue | 13.9 | 13.5 | 12.5 | 12.1 | 10.1 |
| Expenditure | 16.1 | 15.5 | 14.1 | 13.8 | 11.4 |
| Transfers | 1.0 | 1.5 | 1.2 | 1.3 | 0.9 |
| Current Balance | 3.2 | 2.3 | 2.8 | 4.0 | 2.7 |
| Primary Balance | (1.1) | (0.8) | (0.6) | (0.7) | (0.2) |
| Overall Balance | (2.2) | (2.0) | (1.6) | (1.7) | (1.4) |
| Federal Government | | | | | |
| Retained Revenue | 5.7 | 5.6 | 5.1 | 5.0 | 4.2 |
| Total Expenditure | 7.7 | 7.5 | 6.4 | 6.5 | 5.2 |
| Recurrent Expenditure | 5.7 | 5.3 | 4.6 | 4.6 | 3.8 |
| *Of which: Interest Payments* | 0.8 | 0.8 | 0.9 | 1.0 | 1.1 |
| Foreign | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Domestic | 0.7 | 0.8 | 0.9 | 1.0 | 1.0 |
| Capital Expenditure and Net Lending | 1.6 | 1.5 | 1.2 | 1.4 | 0.9 |
| Transfers | 0.4 | 0.8 | 0.6 | 0.5 | 0.4 |
| Current Balance (Deficit(-)/Surplus(+)) | (0.04) | 0.4 | 0.4 | 0.4 | 0.4 |
| Primary Balance (Deficit(-)/Surplus(+)) | (1.3) | (1.0) | (0.4) | (0.4) | 0.1 |
| Overall Fiscal Balance (Deficit(-)/Surplus(+)) | (2.0) | (1.8) | (1.4) | (1.4) | (0.9) |
| Financing | 2.0 | 1.8 | 1.4 | 1.4 | 0.9 |
| Foreign | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 |
| Domestic | 2.0 | 1.4 | 1.4 | 1.4 | 0.9 |

## Selected Macroeconomic and Social Indicators cont.

| Indicator | 2010 /1 | 2011 /1 | 2012 /1 | 2013 /1 | 2014 /2 |
|---|---|---|---|---|---|
| Banking System (% of GDP) | 1.4 | 0.8 | 0.7 | 0.6 | 0.0 |
| Non-bank Public (% of GDP) | 0.6 | 0.6 | 0.4 | 0.3 | 0.7 |
| Other Funds (% of GDP) | (0.1) | 0.4 | 0.3 | 0.5 | 0.2 |
| Federal Government Debt Stock 8/ (% of GDP) | 9.6 | 10.4 | 10.5 | 10.6 | 10.7 |
| External (% of GDP) | 1.3 | 1.4 | 1.4 | 1.7 | 1.9 |
| Domestic (% of GDP) | 8.3 | 8.9 | 9.1 | 8.9 | 8.9 |
| Money and Credit (Growth Rate %) | | | | | |
| Reserve Money | 11.6 | 50.8 | 33.1 | 37.4 | 16.5 |
| Narrow Money ($M_1$) | 11.0 | 21.5 | 9.6 | (5.2) | (1.8) |
| Broad Money ($M_2$) | 6.9 | 15.4 | 16.4 | 1.3 | 20.6 |
| Net Foreign Assets | (14.3) | 9.7 | 26.7 | (4.3) | (19.7) |
| Net Domestic Assets | 57.5 | 22.8 | 4.5 | 9.2 | 70.1 |
| Net Domestic Credit | 8.1 | 54.8 | (3.5) | 14.5 | 32.6 |
| Net Credit to Government | 43.5 | 22.6 | (138.0) | 32.5 | 169.4 |
| Credit to Private Sector | (3.8) | 44.3 | 6.8 | 6.9 | 11.9 |
| Money Multiplier for $M_2$ | 6.2 | 4.8 | 4.2 | 3.1 | 3.2 |
| Income Velocity of $M_2$ | 4.8 | 4.8 | 4.7 | 5.2 | 4.8 |
| Financial Development Indicators ( %) | | | | | |
| $M_2$/GDP | 20.8 | 20.9 | 21.3 | 19.4 | 21.0 |
| CIC/$M_2$ | 12.0 | 11.8 | 10.5 | 11.3 | 9.5 |
| COB/$M_2$ | 9.4 | 9.4 | 8.4 | 9.2 | 7.6 |
| QM/$M_2$ | 51.7 | 49.1 | 52.1 | 55.2 | 63.5 |
| CIC/GDP | 2.5 | 2.5 | 2.3 | 2.2 | 2.0 |
| Credit to Private Sector (CP)/GDP | 17.7 | 22.3 | 20.9 | 20.0 | 20.1 |
| Credit to Core Private Sector (CCP)/GDP | 17.1 | 21.5 | 20.0 | 19.0 | 19.5 |
| CP/Non-Oil GDP | 20.9 | 26.9 | 24.7 | 22.9 | 22.5 |
| Banks Assets/GDP | 31.2 | 30.4 | 29.3 | 30.2 | 30.7 |
| CBN's Assets/GDP | 15.8 | 26.3 | 28.5 | 25.5 | 16.7 |
| Banking System's Assets/GDP | 47.1 | 56.7 | 57.8 | 48.8 | 46.9 |
| Interest Rates (% per annum) | | | | | |
| Monetary Policy Rate (MPR) (end period) 9/ | 6.25 | 12.00 | 12.00 | 12.00 | 13.00 |
| Repurchase Rate (Average) | 9.25 | 12.62 | 15.00 | 15.00 | - |
| Treasury Bill Rate (Average) (% of Annum) | | | | | |
| 91-day | 3.68 | 9.67 | 13.64 | 10.85 | 10.50 |
| 182-day | 4.91 | 10.76 | 14.38 | 11.60 | 11.36 |
| 364-day | 5.52 | 11.23 | 14.63 | 11.85 | 11.70 |
| Inter-bank Call Rate (average) | 4.00 | 11.12 | 13.95 | 12.07 | 11.69 |
| Deposit Rates (average) (% of Annum) | | | | | |
| Savings Rate | 2.20 | 1.46 | 1.70 | 2.17 | 3.38 |
| 3-months Fixed | 6.52 | 5.71 | 8.41 | 7.91 | 9.34 |
| 6-months Fixed | 6.28 | 4.91 | 7.85 | 7.40 | 9.60 |
| 12-months Fixed | 5.68 | 4.76 | 7.18 | 5.49 | 9.16 |
| Prime Lending Rate (average) | 19.59 | 16.03 | 16.79 | 16.69 | 16.55 |
| Maximum Lending Rate (average) | 22.58 | 22.44 | 23.79 | 24.38 | 25.74 |
| Government Bond (Average coupon) 10/ | | | | | |
| 3-year | 7.72 | 11.20 | 14.98 | 12.70 | 12.31 |
| 5-year | 8.66 | 12.17 | 14.64 | 11.81 | - |
| 7-year | 12.10 | 16.22 | 14.28 | 11.31 | - |
| 10-year | 7.10 | 14.32 | 15.26 | 11.10 | 12.68 |
| 20-year | 10.50 | - | - | 13.02 | 12.81 |

## Selected Macroeconomic and Social Indicators cont.

| Indicator | 2010 /1 | 2011 /1 | 2012 /1 | 2013 /1 | 2014 /2 |
|---|---|---|---|---|---|
| External Sector | | | | | |
| Current Account Balance (% of GDP) | 3.6 | 2.6 | 3.8 | 3.7 | (0.3) |
| Goods Account (% of GDP) | 8.3 | 8.0 | 8.6 | 8.3 | 3.7 |
| Services Account (net) (% of GDP) | (5.0) | (5.2) | (4.7) | (3.8) | (4.0) |
| Income Account (net) (% of GDP) | (5.4) | (5.6) | (4.9) | (5.0) | (3.4) |
| Current Transfers (% of GDP) | 5.7 | 5.3 | 4.8 | 4.3 | 3.9 |
| Capital and Financial Account Balance (% of GDP) | 0.6 | (1.3) | (2.7) | 1.5 | 2.6 |
| Overall Balance (% of GDP) | (2.7) | 0.1 | 2.4 | (0.2) | (1.7) |
| External Reserves (US$ million) | 32,339.3 | 32,639.8 | 43,830.4 | 42,847.3 | 34,241.5 |
| Number of Months of Import Equivalent | 7.7 | 5.9 | 9.2 | 9.3 | 6.7 |
| Average Crude Oil Price (US$/barrel) | 80.8 | 113.8 | 113.5 | 111.4 | 100.7 |
| Average wDAS/rDAS Rate ( ₦/US$) | 150.30 | 153.86 | 157.50 | 157.31 | 158.55 |
| End of Period wDAS/rDAS Rate (₦ /US$) | 150.66 | 158.27 | 157.33 | 157.26 | 169.68 |
| Average Bureau de Change (BDC) Exchange Rate ( ₦ /US$) | 153.06 | 159.31 | 160.86 | 162.45 | 171.45 |
| End of Period Bureau de Change (BDC) Exchange Rate ( ₦ /US$) | 156.00 | 165.00 | 159.50 | 172 | 191.50 |
| Capital Market | | | | | |
| All Share Value Index (1984=100) | 24,770.5 | 20,730.6 | 28,078.8 | 41,329.2 | 34,657.2 |
| Value of Stocks Traded (Billion Naira) | 799.9 | 638.9 | 809.0 | 2,350.9 | 1,334.8 |
| Value of Stocks/GDP (%) | 1.5 | 1.0 | 1.1 | 2.9 | 1.5 |
| Market Capitalization (Billion Naira) | 9,918.2 | 10,275.3 | 14,800.9 | 19,077.4 | 16,875.1 |
| Of which: Banking Sector (Billion Naira) | 2,710.2 | 1,839.3 | 2,251.3 | 2,940.0 | 2,367.0 |
| Market Capitalization/GDP (%) | 18.2 | 16.3 | 20.6 | 23.8 | 19.0 |
| Of which : Banking Sector/GDP (%) | 5.0 | 2.9 | 3.1 | 3.7 | 2.7 |
| Insurance Sector/GDP (%) | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 |
| Banking Sector Cap./Market Capitalization (%) | 27.3 | 17.9 | 15.2 | 15.4 | 14.0 |
| Insurance Sector Cap./Market Capitalization (%) | 1.5 | 1.4 | 1.0 | 0.9 | 0.9 |
| Social Indicators | | | | | |
| Population (million) | 159.3 | 164.4 | 169.6 | 175.1 | 180.7 |
| Population Growth Rate (%) | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 |
| Unemployment Rate (%) | 5.1 | 6.0 | 10.6 | 10.0 | 7.8 |
| Life Expectancy at Birth (Years) | 54.0 | 47.6 | 47.6 | 47.6 | 47.6 |
| Adult Literacy Rate (%) | 66.9 | 66.9 | 66.9 | 66.9 | 66.9 |
| Incidence of Poverty (% of Population) | 69.0 | 71.5 | 72.0 | 72.0 | 72.0 |

*1/ Revised*
*2/ Provisional*
*3/ Includes Construction*
*4/ Includes Trade*
*5/ Based on GDP measured at basic prices.*
*6/ Core Inflation is measured as the rate of change of all-item Consumer Price Index (CPI) less farm produce.*
*7/ Computations are based on GDP at Current Market Prices; 2014 provisional ratios are based on estimates.*
*8/ Includes State Government Debts*
*9/ MPR replaced MRR with effect from December 11, 2006.*
*10/ Data from Financial Datahouse Limited*

*$M_1$ = Narrow Money; $M_2$ = Broad Money; GDP = Gross Domestic Product; CIC = Currency in Circulation*
*COB = Currency Outside Bank; QM = Quasi-Money; CP = Credit to Private Sector, CCP = Credit to Core Private Sector*

***Sources: Central Bank of Nigeria (CBN), Federal Ministry of Finance (FMF), National Bureau of Statistics (NBS), Nigeria National Petroleum Corporation (NNPC), Nigerian Stock Exchange (NSE)***

# CHAPTER ONE

# CORPORATE ACTIVITIES OF THE CENTRAL BANK OF NIGERIA

*The Bank continued to implement measures across Strategic Business Units (SBUs) to achieve its primary mandate of monetary and price stability. It sustained efforts at providing a conducive working environment during the review year, made appreciable progress in the renovation/refurbishment of its branch buildings in fourteen (14) locations, and a health diagnostic centre in one (1) location. Furthermore, the Bank sustained the modernisation of its IT operating environment through the delivery of the Enterprise Systems Management (ESM) project. During the review period, the Bank concluded its Corporate Contact Centre and fully deployed a Service Desk to the general public. It continued to perform its corporate social responsibility (CSR) by fostering knowledge acquisition, through capacity building, youth and women development, provision of financial and other forms of assistance to institutions and organisations for the hosting of conferences, seminars and workshops. It also provided financial support towards the implementation of ninety-two (92) CSR projects, valued at N195.7 million, and sustained the support for physically challenged groups and gender-related issues/initiatives.*

## 1.1 ADMINISTRATION

### 1.1.1 Board of Directors and Other Committees

The membership of the Board of Directors of the CBN changed during the review year as a result of the expiration of the tenure of the former Governor, two (2) Deputy Governors, and one (1) Non-Executive Director, namely: Sanusi Lamido Sanusi, Tunde O. Lemo, Kingsley C. Moghalu and Stephen O. Oronsaye, respectively. The new Governor, one (1) new Deputy Governor and one (1) new Non-Executive Director were appointed by the President, namely: Godwin I. Emefiele, Adebayo A. Adelabu and Stanley I. Lawson, respectively. Consequently, at end-December 2014, the number of Board members was eleven (11) and comprised the Governor, Godwin I. Emefiele (Chairman); three Deputy Governors, namely Adebayo A. Adelabu (Corporate Services), Sarah O. Alade (Economic Policy), Suleiman A. Barau (Operations); and seven (7) Non-Executive Directors. The Non-Executive Directors were: Anthony A. Adaba, Collins C. Chikeluba, Ayuli Jemide, Muhammed M. Kafarati, Stanley I. Lawson, Jonah O. Otunla (Accountant General of the Federation (AGF)) and Anastasia M. Daniel-Nwaobia (Permanent Secretary, Federal Ministry of Finance).

The Board held six (6) regular meetings and one (1) extraordinary meeting in 2014. The

Committee of Governors held forty-five (45) meetings, while the Governor's Consultative Committee held ten (10) meetings. The Audit & Risk Management, the Investment, and the Pension Fund Management Committees held three (3) meetings each. The Finance and General Purpose Committee held six (6) meetings, while the Establishment, and the Financial System Stability Committees held five (5) meetings each. The Remuneration, Ethics and Anti-Corruption Committee held two (2) meetings, while the Corporate Strategy Committee met once.

**Table 1.1: Board of Directors' Meetings : Attendance in 2014**

| S/N | Member | Number of Meetings Attended |
|---|---|---|
| 1 | Godwin I. Emefiele | 4 out of 7 (Assumed office in June 2014) |
| 2 | Adebayo A. Adelabu | 5 out of 7 (Assumed office in April 2014) |
| 3 | Sarah O. Alade | 7 out of 7 |
| 4 | Suleiman A. Barau | 7 out of 7 |
| 5 | Jonah O. Otunla | 6 out of 7 |
| 6 | Collins C. Chikeluba | 7 out of 7 |
| 7 | Muhammed M. Kafarati | 7 out of 7 |
| 8 | Anastasia M. Daniel-Nwaobia | 6 out of 7 |
| 9 | Stanley I. Lawson | 3 out of 7 (Assumed office in August 2014) |
| 10 | Anthony A. Adaba | 6 out of 7 |

Source: CBN

### 1.1.2 The Monetary Policy Committee (MPC)

The Monetary Policy Committee (MPC) held six (6) regular meetings at which major global and domestic economic developments were reviewed and appropriate monetary policy decisions taken. The Governor promptly communicated the decisions of the Committee to the market and the general public via press briefings and a communiqué with personal statements of individual members issued at the end of each meeting. The meetings were held in January, March, May, July, September and November 2014.

**Table 1.2: Monetary Policy Committe (MPC) Meetings: Attendance in 2014**

| S/N | Name | Number of Meetings Attended |
|---|---|---|
| 1 | Sanusi Lamido Sanusi | 1 out of 6 (Exited office in June 2014) |
| 2 | Godwin I. Emefiele | 3 out of 6 (Assumed office in June 2014 |
| 3 | Adebayo A. Adelabu | 4 out of 6 (Assumed office in April 2014) |
| 4 | Sarah O. Alade | 6 out of 6 |
| 5 | Suleiman Barau | 5 out of 6 |
| 6 | Kingsley Moghalu | 5 out of 6 (Exited office in November 2014 |
| 7 | Dahiru Hassan Balami | 3 out of 6 (Assumed office in July 2014) |
| 8 | Anastasia Daniel-Nwaobia | 5 out of 6 |
| 9 | Abdul-Ganiyu Garba | 6 out of 6 |
| 10 | Stanley I. Lawson | 2 out of 6 (Assumed office in August 2014) |
| 11 | Adedoyin R. Salami | 6 out of 6 |
| 12 | Chibuike C. Uche | 6 out of 6 |
| 13 | Shehu Yahaya | 4 out of 6 |
| 14 | Stephen O. Oronsaye | 3 out of 6 (Exited office in June 2014) |

Source: CBN

**Table 1.3: MPC Decisions in 2014**

| Date | MPR Before the Meeting (%) | Decisions |
|---|---|---|
| January 20 – 21,2014 Communiqué No. 93 | 12.00 | ▪ MPR remained at 12.0 per cent, with a corridor of +/- 200 basis points and Liquidity ratio (LR) at 30 per cent;<br>▪ CRR on public sector deposits increased from 50.0 per cent to 75.0 per cent with effect from February 4; and<br>▪ CRR on private sector deposits was retained at 12.0 per cent. |
| March 24 – 25,2014 Communiqué No. 94 | 12.00 | ▪ Retained the MPR at 12.0 per cent with a corridor of +/ - 200 basis points;<br>▪ Raised the CRR on private sector deposits by 300 basis points to 15.0 per cent; and<br>▪ Retained CRR on public sector deposits at 75.0 per cent |
| May 19 – 20, 2014 Communiqué No. 95 | 12.00 | ▪ Retained the MPR at 12.0 per cent;<br>▪ Retained the MPR corridor at +/-200 basis points; and<br>▪ Kept the CRR on public sector deposits at 75.0 per cent and CRR on private sector deposits at 15.0 per cent. |
| July 21 - 22, 2014 Communiqué No. 96 | 12.00 | ▪ Retained the MPR at 12.0 per cent with a corridor of +/ - 200 basis points around the mid-point;<br>▪ Retained the Liquidity Ratio at 30.0 per cent;<br>▪ Retained the Cash Reserve Requirement on public sector deposits at 75.0 per cent; and<br>▪ Retained the Cash Reserve Requirement on private sector deposits at 15.0 per cent. |
| September 18-19,2014 Communiqué No. 97 | 12.00 | ▪ Retained the MPR at 12.0 per cent with a corridor of +/ - 200 basis points around the mid-point;<br>▪ Retained the Cash Reserve Requirement on public sector deposits at 75.0 per cent; and<br>▪ Retained the Cash Reserve Requirement on private sector deposits at 15.0 per cent. |

| | | |
|---|---|---|
| November 24 – 25, 2014<br>Communiqué No. 98 | 13.00 | ▪ Increased the MPR by 100 basis points from 12.0 to 13.0 per cent;<br>▪ Maintained a symmetric corridor of +/- 200 basis points around the MPR;<br>▪ Increased the CRR on private sector deposits by 500 basis points from 15.00 to 20.00 per cent with immediate effect;<br>▪ Moved the mid-point of the official window of the foreign exchange market from ₦155/US$ to ₦168/US$;<br>▪ Widened the band around the mid -point by 200 basis points from +/-3 per cent to +/-5 per cent;<br>▪ Retained CRR on public sector deposits at its current level of 75.00 per cent; and<br>▪ Retained the net open foreign exchange trading position at 1.0 per cent. |

Source: CBN

### 1.1.3 Development of CBN Branches and Intervention Projects

The Bank sustained efforts at providing a conducive working environment for its staff and customers during the review period. It commissioned a number of projects, including the Dealing Room at its Corporate Head Office, Abuja, and a Data Centre in Abuja Branch, as well as an Automated Currency Conveyor Belt System in Asaba Branch. Furthermore, appreciable progress was made in the renovation/refurbishment of CBN branch buildings in fourteen (14) locations, and a health diagnostic centre in one (1) location.

The Bank intervened in tertiary institutions in two (2) locations and in secondary schools in six (6) locations. The Bank also embarked on new projects, such as the remodeling of CBN Enugu Branch's old building and public sector institutions in five (5) locations.

### 1.1.4 Information Technology

The Bank continued with the modernisation of its IT operating environment through the delivery of the Enterprise Systems Management (ESM) project. The System is expected to improve the monitoring, security and effective management of the IT infrastructure. In June 2014, the Bank was re-certified on the International Code of Practice for Information Security (ISO27001). During the review period, the Bank's Corporate Contact Centre was commissioned and a Service Desk was deployed to improve the resolution of issues. The Bank engaged the services of a consultant to conduct an independent assessment of IT internal processes, resulting in remarkable improvements and cost reduction on software licences.

A significant transformation in Form "M" documentation through automation resulted in the reduction of its processing period from an average of 5-7 days to 2 hours. Also, to provide appropriate information and intelligence to enable effective and efficient

Business/IT planning and decision-making in the Bank, the Enterprise Architecture Portal was implemented.

### 1.1.5 Library Operations

The library resources consulted by staff increased by 20.0 per cent to 12,521 from 10,434 in 2013. The volume of books in the Bank's library system was 110,440, compared with 107,861 in 2013. The Bank subscribed to 117 and 26 journal titles from SWETS and Independent Publishers International (IPI), respectively. It continued to subscribe to electronic resources through the following service providers: SWETS, EBSCO host, Journal Storage (JSTOR), Access to Global Online Research in Agriculture (AGORA), Online Access to Research in Environment (OARE), Business Monitor International (BMI), Access to Research for Development and Innovation (ARDI), Elsevier Science Direct, and the Economist Intelligence Unit. Also, the Bank held its maiden Library Week during the review period, while the implementation of an electronic Library System was on-going.

### 1.1.6 Legal Services

The Bank sustained the effort at strengthening its legal and regulatory framework to improve the overall effectiveness of the financial system, in line with its mandate. In that regard, the Bank proposed amendments to the Nigeria Deposit Insurance Corporation (NDIC) Act; continued the prosecution of cases involving the Bank; reviewed relevant bills from the National Assembly; and drafted/vetted memoranda of understanding (MoUs), agreements and guidelines. The Bank published its revocation of the banking licence of the defunct African International Bank (AIB), the operating licences of eighty three (83) micro-finance banks, one (1) discount house and twenty (20) bureaux-de-change in the official Gazette of the Federal Republic of Nigeria.

The pending cases in court against the Bank at end-December 2014 were four hundred and sixty-four (464), out of which three (3) were outside the country. Judgment was given on one hundred and fifty-two (152) cases and ten (10) of the cases were settled out of court. Of the total, two hundred and sixteen (216) were garnishee, eight (8) were made Absolute by the courts, and two (2) were on appeal. Thirty-five (35) cases were a fallout of the Banking Sector Reform (Project Alpha) and sixty-one (61) cases were a fallout of the Project New World (the revocation of banking licences and bridging of three institutions, namely: Spring Bank, Afribank and Bank PHB).

### 1.1.7 Security Services

The Bank continued with the application of effective security policies, procedures and processes as well as identifying and entrenching good security protocols in the system. In maintaining a safe and secure working environment as well as optimising the cost of security operations, the Bank enhanced and sustained its corporate security to guarantee asset protection, personnel safety and operational resilience. It continued to engage in research on equipment and processes that would ultimately guarantee the security of

CBN's enterprise objectives. It also carried out various installations and the upgrade of security equipment throughout the Bank.

Given the prevailing crimes of robbery, kidnapping, terrorism, fraud, etc., in the country, the Bank fortified its security infrastructure and enhanced engagements and collaboration with relevant security agencies. It also developed strategies and deployed firefighting/safety equipment to mitigate the risk of fire and other accidents in all the Bank's locations.

### 1.1.8 Internal Audit

During the review period, a detailed audit was conducted on all the twenty-seven (27) departments of the Bank with sixty-three (63) visits, while one hundred and two (102) visits were made to 37 branches and eighty-eight (88) processes were also audited. Two hundred and ninety-eight (298) currency disposal operations requiring audit witnesses were also completed.

The Bank formed a strategic learning partnership with the Corporate Executive Board (CEB) – Audit Leadership Council, a member-based advisory firm that helps organisations to unlock their potential. This ensured that the Bank leveraged on experiences of other clients to avail itself of best practices and strengthen its internal control and risk management processes. The Bank deployed the Interactive Data Extraction and Analysis (IDEA) and CaseWare Monitoring software packages to aid auditors in generating early warning signals of issues before they become problematic.

### 1.1.9 Risk Management

In 2014, the Bank conducted Risk Control Self-Assessment (RCSA) workshops for its various departments and branches. In addition, specialised RCSA workshops ("RCSA-Plus") were held for nine (9) key cross-functional processes to strengthen a holistic view of the risks inherent in the Bank's mandate-critical processes that cut across various business units. The outcomes of these risk assessment workshops were used to drive necessary risk mitigation action plans and update the Enterprise Risk Register.

The Risk Champions Network (RCN), consisting of representatives of all business units in the Bank, was inaugurated and capacity building programmes were held to improve the risk management skills of the appointed Risk Champions. The Bank also established an incident-reporting process to facilitate the reporting and monitoring of risk events bank-wide.

The Bank held two (2) meetings of the Chief Risk Officers' (CRO) Forum, comprising the CROs of all deposit money banks and discount houses in Nigeria. The Forum was set up to foster coordinated interaction between banking industry operators and regulators in advancing the practice of risk management, aligning regulatory requirements with risk management's best practices, and providing insights and early warning signals on emerging and long-term risks. The Forum's four sub-committees also met several times during the year.

In order to advance the implementation of the Bank's Reputational Risk Framework, a Reputational Risk Forum was set up to consider and advise on the Bank's reputational risk profile. The Forum holds weekly meetings and prepares a weekly reputational risk report with recommendations to Management.

The Bank conducted its third Internal Stakeholder Survey to obtain feedback from staff on Health, Safety and Environment (HSE) risk. The outcome of the survey was submitted to Management for consideration and action.

### 1.1.10 Strategic Initiatives and Business Process Management

The Bank continued to monitor the execution of its strategy across all Strategic Business Units (SBUs). It established a Strategy Facilitator Network for SBUs and branches to facilitate the reporting of performance and communication of strategy across SBUs. It developed a framework for managing the strategic initiatives and aligned the budget of the SBUs with its strategic priorities.

The Governor's Strategic Intent (2014 – 2019) was articulated detailing resources, timelines, deliverables and responsibilities. The transformation of the Bank's finance function was also implemented to reposition it for enhanced efficiency and effectiveness. This led to the establishment of the Strategic and Financial Analysis Office in the Finance Department, with a mandate for strategic alignment and supporting Management in decision making and coordination of initiatives.

### 1.1.11 Communications

The various communication channels of the Bank were sustained to disseminate and enlighten stakeholders and the general public on policies, programmes and other activities of the Bank. It continued the publication of the communiqués of the Monetary Policy Committee to uphold transparency and accountability, in line with global best practice. There were stakeholder engagements with the National Assembly, Ministries, Departments and Agencies (MDAs), educational institutions, the business community, and the general public. The Bank's website was re-designed to ensure easier accessibility. The webcast and radio transmission of the Monetary Policy Committee press briefings by the Governor were conducted on a regular basis. In addition, a marked increase in the followership on the revived social media platforms of the Bank was witnessed.

The Bank sustained its Annual Seminar for Finance Correspondents and Business Editors. The 2014 edition was held in Kaduna, with the theme: "Rebasing of Nigeria's GDP and Implications for FSS-2020" from June 17-20.

**1.1.12 Anti-Corruption and Ethical Issues**

The Bank conducted an enlightenment programme on the Code of Business Ethics and Compliance (COBEC). It commenced the development of the Manual of Operations for Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) for relevant SBUs. Seminars were held in some business units to sensitise members of staff on emerging AML/CFT issues.

**1.1.13 The Financial System Strategy (FSS) 2020**

The Bank reviewed and revalidated the Financial System Strategy (FSS) 2020 initiative, including the twenty-four (24) Transformational Programmes, the Governance Framework and the new structure and staffing requirements. In addition, a progress report was presented to the 51st Meeting of the Financial Services Regulation Coordinating Committee (FSRCC). It featured an update on the FSS 2020 Establishment Bill and the Nigerian International Financial Centre (NIFC). The Bank also commissioned a media consultant to communicate and educate the general public on the activities of FSS 2020 through the print and electronic media.

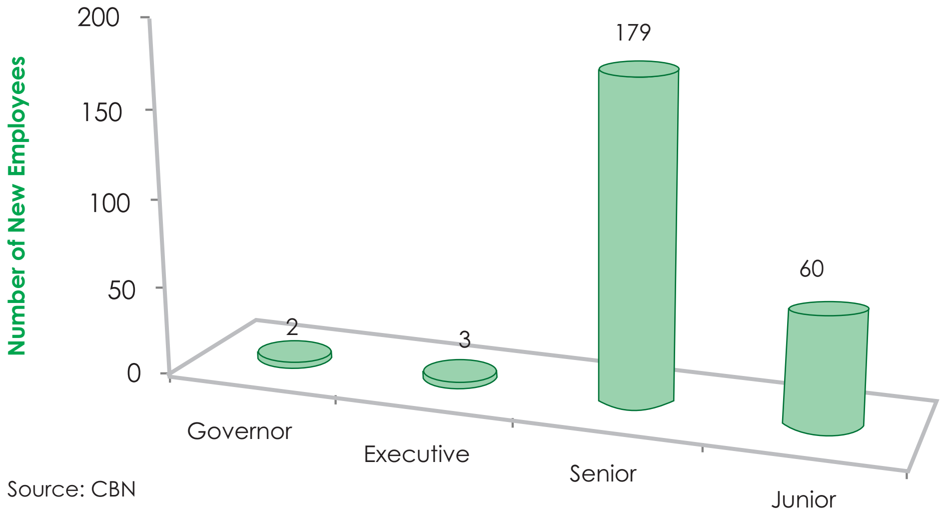
**1.1.14 The Shared Services Project**

The nationwide implementation of the Cash Holding Scheme and Cash-less Policy commenced with three (3) shared IT Infrastructure initiatives. The three initiatives were the Nigerian Shared Financial Services Network (NFSN), the Tier-3 Recovery Data Centre (RDC), and the Shared Power Infrastructure (SPI). Stakeholders' sensitisation was done in 30 states in respect of Payments System Transformation, while vendor selection for Recovery Data Centre and Shared Power in the banking industry was ongoing.

**1.1.15 Staff**

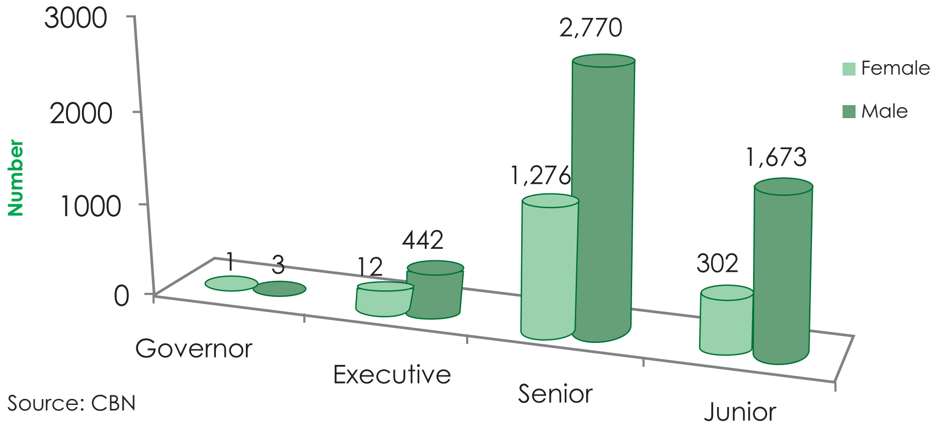
The Governor and one (1) Deputy Governor were appointed by the President in the review period. In addition, two hundred and forty-two (242) staff were hired. This comprised three (3) executives, one hundred and seventy-nine (179) senior and sixty (60) junior staff. A further breakdown of hires by gender indicated eighty-four (84) females and one hundred and fifty-eight (158) males. The Bank, however, lost the services of two hundred and sixty-two (262) staff through: end of tenure, three (3); death, twenty-six (26); voluntary retirement, thirteen (13); mandatory retirement, one hundred and seventy-six (176); withdrawal of service, two (2); resignation, nine (9); termination, six (6); and dismissal, twenty-seven (27). Consequently, the staff strength stood at 6,588, compared with 6,606 in 2013.

**Figure 1.1: New Employees, 2014**




Source: CBN

**Figure 1.2: Staff Strength by Category and Gender at end-December 2014**

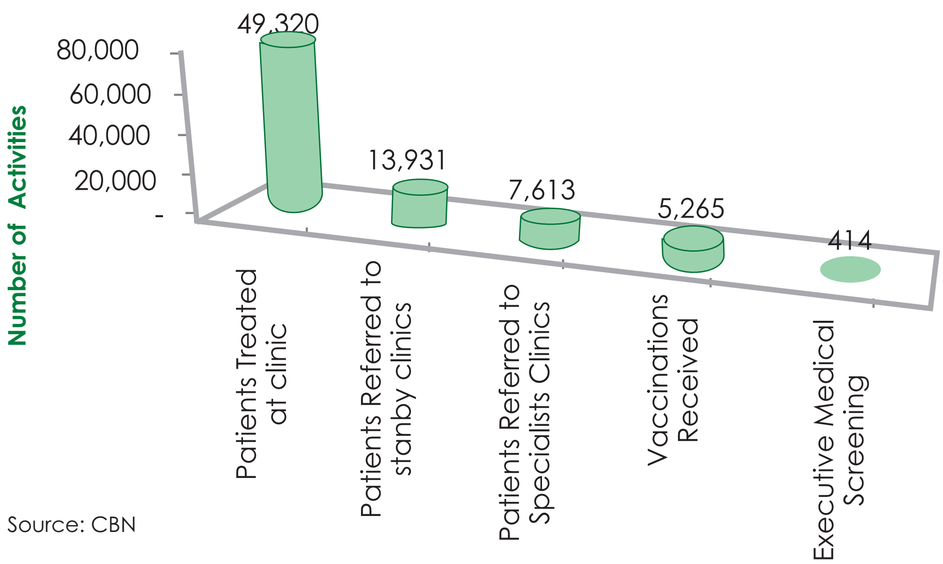



Source: CBN

### 1.1.16 Medical Services

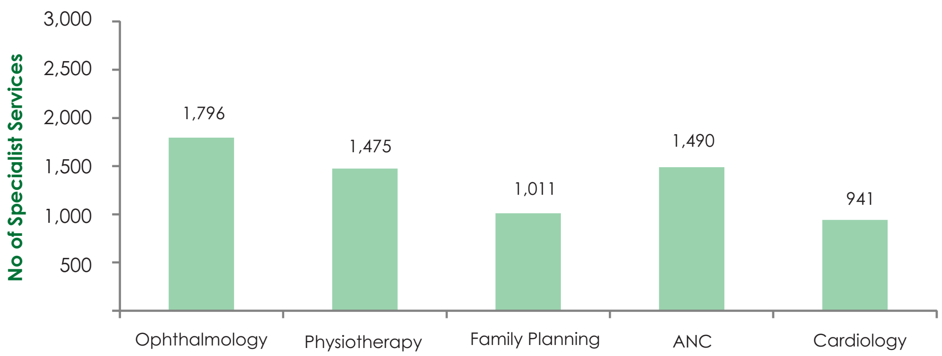
The Bank provided various medical interventions to sustain a healthy and productive workforce. Seventy-nine thousand, three hundred and twenty (79,320) cases involving staff and their dependants were attended to at the Bank's staff clinics. Of these cases, thirteen thousand, nine hundred and thirty-one (13,931) were referred to the various stand-by hospitals, while 52 staff/dependants were treated overseas for conditions that could not be handled locally. Three thousand, three hundred and twenty-seven (3,327) staff and their dependants were vaccinated against cerebrospinal meningitis. A total of one thousand, nine hundred and thirty-eight (1,938) children were administered routine immunisation. Pre-employment screening of sixty-four (64) prospective staff was carried out in the review period. A Maiden Health Week was organised by the Bank, and one thousand, three hundred and twelve (1,312) staff participated. Health education/awareness campaigns on topical health issues, such as ebola virus disease (EVD), hepatitis B infection, HIV/AIDS, diabetes mellitus and hypertension were organised with three thousand, five hundred and sixty-eight (3,568) staff in attendance. Furthermore, the Bank sponsored the medical screening of four hundred and fourteen (414) executives.

**Figure 1.3: Staff Clinic Activities, 2014**




Source: CBN

**Figure 1.4: Specialist Services, 2014**

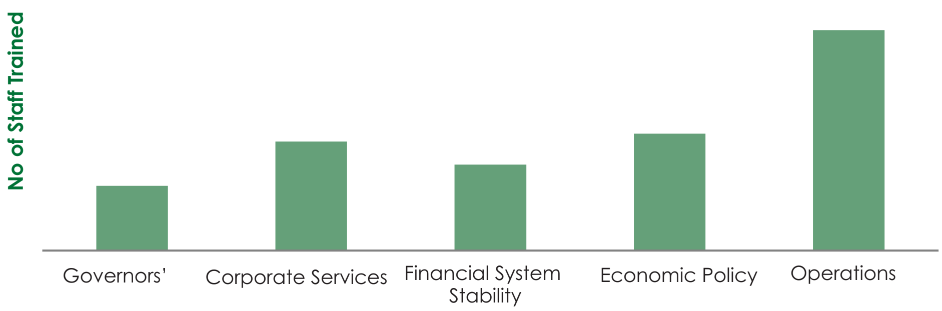



Source: CBN

### 1.1.17 Training

The Bank's manpower development strategy focused on aligning learning with its strategic business needs and promoting a learning culture with the aim of enhancing staff competency and building required capacity to achieve its mandate. In this regard, three thousand, and fifty-four (3,054) staff participated in one hundred and fifty-six (156) training programmes during the review period. The training distribution pattern of the five (5) directorates in the Bank showed that the Operations Directorate recorded the highest of 1,066, followed by Economic Policy Directorate with 565, while the Governors' Directorate recorded the least of 313. Also, one hundred and sixty-six (166) new appointees and hires were inducted.

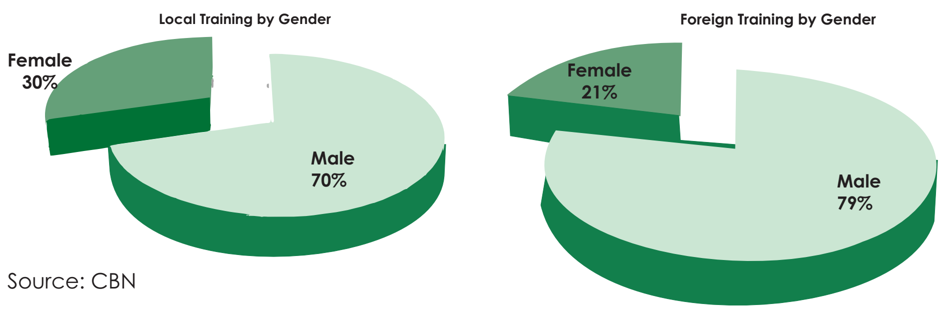
**Figure 1.5: Training Distribution by Directorate, 2014**




Source: CBN

Analysis of local training by gender indicated that male staff had 1,995 training slots, while their female counterparts had 842 slots, representing 70.3 and 29.7 per cent, respectively. Similarly, 171 male and 46 female staff participated in foreign training slots during the year, indicating 79.0 and 21.0 per cent of total, respectively.

**Figure 1.6: Local and Foreign Training Distribution by Gender, 2014**




Source: CBN

### 1.1.18 The International Training Institute (ITI)

The Bank established the International Training Institute (ITI), a world-class regional centre for learning, in Abuja, modeled after the Centre for Central Banking Studies (CCBS) of the Bank of England, the International Monetary Fund (IMF) Institute and the Sasana Kijang of Bank Negara, Malaysia, among others. The Institute specialises in promoting executive development in both public and private sectors. The curriculum development in all the programmes had been finalised except for the Leadership and Management module. The facilities have been 98.0 per cent completed and most of the administrative staff are already in place, while subject-matter experts were being engaged.

The strategic objectives of the Institute include the migration of specialised training, currently conducted overseas, to Nigeria for cost efficiency. This is to enable a critical mass of staff to be trained and also serving as a training hub for the FSS 2020 initiative as well as benchmarking of best practices in the various areas of central banking. The core offerings of the Institute include capacity building in Monetary and Fiscal Policies, Econometrics, Financial System Stability, Financial Markets and Surveillance, and Leadership and Management. The Institute was expected to engage in medium to long-term research leading to publications in local and international peer-reviewed journals. During the review period, the Institute published three (3) staff papers, namely: "Forecasting Currency-in-Circulation for Liquidity Management in Nigeria", "Did the Economic and Financial Crises Affect Stock Market Sensitivity to Macroeconomic Risk Factors?" and "The Effect of Oil Price Movement on Stock Prices in the Nigerian Equity Market," published in the CBN Journal of Applied Statistics, International Journal of Business, and the Research Journal of Finance and Accounting, respectively.

### 1.1.19 Staff Promotion

The Bank promoted five hundred and twenty-nine (529) senior and one hundred and twenty-three (123) junior staff to boost morale and enhance performance.

### 1.1.20 Recreational Activities

The Bank, in collaboration with relevant stakeholders, sponsored various competitions in line with its corporate social responsibility. These included: lawn tennis, football and golf competitions. The First Bank of Nigeria Football Club won the final of the 29th All Financial Institutions Football Competition held in Ilorin, in October. The final of the 34th edition of the Governor's Cup Football Competition for all CBN branches held at the Ahmadu Bello Stadium, Kaduna, in December was won by the Lagos Branch. It also sponsored the 8th Edition of the CBN Governor's Golf Tournament, which took place at the IBB International Golf and Country Club, Abuja, in November 2014. The workplace gymnasia at the Bank's Corporate Head Office, Abuja, and in some branches of the Bank were well patronised by staff.

### 1.1.21 Corporate Social Responsibility (CSR)

The Bank continued its corporate social responsibility through capacity building and the provision of financial and other forms of assistance to institutions and organisations. It provided financial support towards the implementation of 92 CSR projects, valued at ₦195.7 million. The projects covered critical areas such as education and research, community and economic development, women empowerment and health. Other areas included youth and sports development, disaster relief and support for the physically challenged groups, as well as gender-related issues/initiatives.

### 1.1.22 Staff Social Responsibility

The staff of the Bank sustained their support for the less-privileged in the society through regular contributions to the Alms Collection Scheme of the CBN. At end-December 2014, the balance in the Alms Fund Account stood at ₦12,139,830.00. Staff contributions from the Bank's Branches were used to execute 57 projects (renovation of schools and hospitals, sinking of boreholes, provision of food and other essential items to orphanages and old peoples' home, etc.), valued at ₦48.5 million.

### 1.1.23 Nigerian Sustainable Banking Initiatives

The CBN undertook a maiden industry-wide assessment of the implementation of Nigerian Sustainable Banking Principles on four deposit money banks (DMBs) and their customers to ascertain the level of compliance. In compliance with Sustainable Banking Principles and the need to reduce carbon emissions, the CBN Head Office was connected to the National Grid. In addition, some SBUs engaged in sustainable waste management activities (disposal of unfit notes and obsolete items, solid and medical waste, among others) and efficient energy usage.

The Bank, in collaboration with the United Nations Environment Programme Finance Initiative (UNEP-FI), organised a high level training for members of the Boards of Directors of the NDIC and DMBs as well as discount houses. Also, an international conference with the theme, "International Sustainable Banking Network for Regulators of Emerging Markets" was hosted by the Bank in March 2014.

## 1.2 RESEARCH AND COLLABORATIVE ACTIVITIES

The Bank undertook research and collaborative studies, and disseminated information on key issues relating to the Nigerian economy through its various publications. It published the following titles: A Dynamic Stochastic General Equilibrium (DSGE) Model; A Factor-Augmented Vector Autoregressive (FAVAR) Model for Monetary Policy Analysis in Nigeria; and four (4)

*The Bank undertook research and collaborative studies, and disseminated information on key issues relating to the Nigerian economy, through its various publications.*

sectoral models*.

The regular publications of the CBN published during the review period were: the 2013 Annual Report; the 2014 Half-Year Economic Report; the Financial Stability Report, June 2014; the Quarterly CBN Economic and Financial Review; the 2013 Statistical Bulletin; the bi-annual CBN Journal of Applied Statistics; the Monetary Policy Review, August 2014; the Proceedings of the FLAC; The CBN Brief; the Understanding Monetary Policy Series; and the quarterly CBN Bullion.

Furthermore, seven (7) occasional papers, namely: Financial Inclusion in Nigeria: Issues and Challenges; Fiscal Incentives in Nigeria: Lessons of Experience; Issues and Challenges for the Design and Implementation of Macro-Prudential Policy in Nigeria; Bank Intermediation in Nigeria: Growth, Competition and Performance of the Banking Industry 1990-2010; Discount Houses and the Changing Financial Landscape in Nigeria; Mortgage Financing in Nigeria; and The Bonds Market as a Viable Source of Infrastructure Financing in Nigeria: The Lagos State Experience, were published. During the review period, the Bank organised the 8th Annual Micro, Small and Medium Enterprises (MSMEs) Finance Conference/Entrepreneurship Award. It also collaborated with the National Bureau of Statistics (NBS) to conduct the 2013 National Economic Survey.

The Bank honoured requests for the presentation of papers and to facilitate training programmes from national and international organisations, such as the Nigeria Deposit Insurance Corporation, the Chartered Institute of Bankers of Nigeria (CIBN), the West African Institute for Financial and Economic Management (WAIFEM), the West African College of Supervisors (WACS), the Association of African Central Banks (AACB), and the International Monetary Fund (IMF). Staff papers were presented at professional conferences, nationally and internationally, including those of the International Conference on Economic Modeling (ECOMOD); the African Econometric Society (AES); the Nigerian Economic Society (NES); the Nigerian Statistical Association (NSA); the Chartered Institute of Bankers of Nigeria (CIBN); and the Farm Management Association of Nigeria (FAMAN), among others.

*A Monetary Sector Model for Nigeria; Modelling the Real Sector of the Nigerian Economy; Modeling the Fiscal Sector of the Nigerian Economy for Policy Analysis; and Modelling Nigeria's External Sector for Policy Analysis.

**BOX 1: ENRICHING THE CBN SUITE OF MODELS FOR MONETARY POLICY ANALYSIS**

The changing landscape of the global monetary policy making environment has remained a daunting challenge for policy makers. Central banks all over the world have resorted to refining their modeling toolkits with a view to dealing with uncertainties associated with the conduct of monetary policy design and implementation, as well as the need to capture the domestic macroeconomic and external vicissitudes.

In line with global practice, the CBN, in the past decade, intensified efforts at building forward-looking models that incorporate expectations for monetary policy. The information content of these models have provided insights into the probable channels, evolution and persistence of key macroeconomic aggregates in response to shocks. In addition, the conduct of monetary policy in Nigeria has necessitated the need to forecast, as accurately as possible future economic conditions and the trajectory of key macroeconomic indicators which these models have carefully reflected.

To further enrich these models, efforts were made to build probability-based models that are capable of incorporating uncertainties and financial frictions, to analyse the data generating process of key macroeconomic variables and the likelihood of their future paths. In this regard, the Bayesian Vector Autoregression (BVAR) model, the Dynamic Stochastic General Equilibrium (DSGE) model using financial frictions, and a Dynamic Factor Model in a State Space Framework for forecasting Nigeria's GDP growth were developed to further enrich MPC decisions.

## 1.3 THE CBN BALANCE SHEET

### 1.3.1 Income and Appropriation

The audited financial statements of the CBN for the year ended 31st December, 2014 indicated that total income was ₦857.09 billion and net operating income was ₦466.04 billion, a decline of 11.6 per cent from the level in 2013. The decline in net operating income reflected, largely, the significant impairment (charge)/reversal on financial investments by 100.6 per cent. However, total operating expenses rose by 35.6 per cent in 2014, thus, bringing the net income for the year to ₦35.42 billion, compared with N209.62 billion in 2013. In line with the provisions of the Fiscal Responsibility Act 2011, 20.0 per cent of the net income of the Bank (exclusive of unrealised gains) will be credited to retained earnings, while the balance will be paid to the Federal Government of Nigeria. After considering the effects of the unrealised gains as stated in note 33a, no payments will be made to the Federal Government in the financial year.

### 1.3.2 Assets and Liabilities

The size of CBN's balance sheet declined in 2014 as total assets/liabilities fell by 1.7 per cent to ₦13.7 trillion. The assets position reflected, largely, the fall in external reserves and other assets by 12.1 and 31.9 per cent, respectively, below the levels in 2013. The corresponding decline on the liability side was attributed to the fall in the CBN's instruments and other liabilities of the Bank by 26.3 and 3.3 per cent, respectively, below the levels in 2013.

# CHAPTER TWO

## MONETARY POLICY, SURVEILLANCE ACTIVITIES AND OPERATIONS OF THE CBN

*The challenges of monetary policy in 2014 included: dwindling foreign exchange reserves, arising from portfolio outflow occasioned by reduction in, and eventual cessation of, asset purchases (QE3 tappering) in the US; low domestic crude oil production; low fiscal buffers and excess liquidity in the banking system, among others. The developments had serious implications on domestic inflation. Consequently, the Bank, in 2014, maintained the restrictive monetary policy stance, which started in 2011, retained the policy rate at 12.0 per cent in the first three quarters and raised it to 13.0 per cent towards the end of the fourth quarter. These measures were complemented by an upward review of the cash reserve requirement for both private and public sector deposits and a symmetric corridor for the standing facilities window at +/- 200 basis points around the MPR. This was a strategy adopted for guiding interest rates, curtailing excess liquidity in the banking system and relieving pressure on the exchange rate. Open Market Operations (OMO) remained the main intervention mechanism for liquidity management, complemented by reserve requirements, repurchase transactions and foreign exchange market interventions. Interest rates reflected domestic liquidity conditions, although the outcome was mixed. Yields on fixed income securities across various maturities were higher than the levels in 2013. Also, the payments and settlement landscape improved with increased use of e-money products. To curb unwholesome practices by banks and stem demand pressure in the foreign exchange market, non-essential items were moved from the official window to the inter-bank segment of the foreign exchange market and the net foreign currency trading position limit of banks was reviewed downward to zero in December 2014, from 1.0 per cent of banks' shareholders' funds.*

### 2.1 MONETARY OPERATIONS

#### 2.1.1 Monetary and Credit Developments

The Bank sustained the restrictive monetary policy stance, which started in 2011, in view of the persistent challenges faced by the economy in 2014 and the upside risks to inflation. These challenges included: dwindling portfolio investment inflows and foreign reserves arising mainly from the impact of the Quantitative Easing (QE3) tapering by the US Fed; excess liquidity in the banking system; inflationary pressures; and the decline in crude oil price from the third quarter of the year. Growth in the major monetary aggregates were generally higher than the indicative benchmarks for fiscal 2014. Broad money supply, M2, grew by 20.6 per cent to ₦18,913.0 billion over the level at end-December 2013, and was above the benchmark of 14.5 per cent for fiscal 2014. This was due, largely, to the growth in aggregate credit and other assets (net) of the banking system, which dampened the 19.7 per cent decline in net foreign assets.

The corresponding growth in monetary liabilities was driven by the 38.7 per cent growth in quasi-money, reflecting the growth in savings and time deposits, particularly foreign currency deposit in banks. Narrow money (M1) also fell, due largely, to increased use of electronic payments, which reduced its currency component. Furthermore, the growth in credit to the private sector fell short of the programme benchmark. The Bank continued its intervention in the real economy through the provision of funds at single digit interest rates. Reserve money grew by 16.5 per cent to ₦5,930.95 billion at the end of the review period, but was lower than the programme benchmark of ₦6,486.2 billion for fiscal 2014 by 9.4 per cent. The development was due to the significant decline in net domestic assets and foreign assets (net) of the CBN. The corresponding growth in CBN liabilities resulted from the growth in both bank reserves and currency-in-circulation.

**Table 2.1 : Key Policy Targets and Outcomes, 2010- 2014 (per cent)**

| | 2010 | | 2011 | | 2012 | | 2013 1/ | | 2014 2/ | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Target | Outcome | Target | Outcome | Target | Outcome | Target | Outcome | Target | Outcome |
| Growth in base money | 35.98 | 11.60 | 12.67 | 50.80 | 8.23 | 33.06 | 35.24 | 37.41 | 9.30 | 16.52 |
| Growth in broad money ($M_2$) | 29.25 | 6.91 | 13.75 | 15.43 | 24.64 | 16.39 | 15.20 | 1.32 | 14.52 | 20.60 |
| Growth in narrow money ($M_1$) | 22.36 | 11.05 | 15.75 | 21.54 | 34.71 | 9.59 | 17.44 | -5.23 | 16.23 | -1.82 |
| Growth in aggregate bank credit | 51.43 | 8.09 | 27.69 | 54.76 | 52.17 | -3.46 | 23.58 | 14.47 | 28.50 | 32.60 |
| Growth in bank credit to the private sector | 31.54 | -3.81 | 29.09 | 44.28 | 47.50 | 6.83 | 17.52 | 6.86 | 15.85 | 11.88 |
| Inflation rate | 11.20 | 11.80 | 10.10 | 10.30 | 11.20 | 12.30 | 9.87 | 8.00 | 8.00 | 8.00 |
| Growth in real GDP | 6.10 | 7.87 | 7.20 | 5.31 | 7.33 | 4.20 | 6.44 | 5.50 | 7.02 | 6.22 |

Source: CBN
1/ Revised
2/Provisional

### 2.1.2 Liquidity Management

Monetary policy in 2014, as in the preceding year, focused on moderating the level of banking system liquidity, consistent with the price stability objective conducive to sustainable economic growth. Accordingly, the Bank implemented a range of policy measures aimed at ensuring the efficiency of the financial markets and a steady flow of credit to the real economy, without compromising the objective of monetary and price stability. These included: increasing the MPR from 12.0 to 13.0 per cent and the cash reserve ratio (CRR) on private and public sector deposits from 12.0 and 50.0 per cent to 20.0 and 75.0 per cent, respectively. However, the symmetric corridor of +/-200 basis points around the MPR and DMBs Liquidity Ratio (LR) of 30.0 per cent, as in 2013 were retained in the review period.

The net foreign currency trading position limit (formerly called the Net Open Position (NOP) limit of 1.0 per cent was also reviewed downward to zero to reduce DMBs' exposure to the foreign exchange market. The Bank also maintained the official exchange rate midpoint of ₦155/US$1 with a band +/- 300 basis points around the midpoint until the MPC meeting of November 24-25, 2014 at which the midpoint of the official exchange rate was moved to ₦168/US$1 with the band widened to +/- 5.0 per cent, due to the pressure experienced in the foreign exchange market. The primary liquidity management intervention mechanism of the Bank remained the OMO, complemented by macro-prudential requirements, standing facilities, tenored repurchase transactions, and the sale of treasury instruments at the primary market. As in previous years, the use of domestic money market instruments was supplemented by the Bank's foreign exchange market interventions at both the retail Dutch Auction System (rDAS) and the interbank market.

The monetary policy measures implemented in 2014 significantly moderated banking system liquidity, and the level of inflation during the period. Despite the tight monetary policy stance, growth in monetary aggregates exceeded the benchmark for the year. Broad money supply (M2) grew at 20.6 per cent, compared with the benchmark of 14.5 per cent. Growth in aggregate bank credit and credit to the private sector stood at 32.6 and 11.9 per cent, compared with their respective benchmarks of 28.5 and 15.9 per cent, respectively. Although reserve money (RM) increased by 16.5 per cent to ₦5,930.95 billion, from ₦5,090.00 billion at end-December 2013, the level at end-December 2014 was 9.4 per cent below the indicative benchmark of ₦6,486.20 billion. The effective liquidity management of the Bank resulted in the stabilisation of headline inflation within the target band of 6-9 per cent. Consequently, headline inflation was 8.0 per cent at the end of fiscal 2014.

*The monetary policy measures implemented in 2014 significantly moderated banking system liquidity, and the level of inflation during the period*

**2.1.3 Interest Rate Policy and Developments**

Interest rates were generally influenced by domestic liquidity conditions and global economic factors, such as sharp fall in international oil prices, tapering of QE3 by the United States Federal Reserve Bank, and dwindling foreign reserves. These reinforced the need to continue with the tight monetary policy stance of the Bank in 2014. Rates were generally stable in the first ten months of the year, but rose towards the end of the year following the MPC decision to raise MPR to 13.0 per cent.

**2.1.3.1 Money Market Rates**

Rates at all segments of the market remained relatively stable in the first ten months of the year and were generally lower than the levels in 2013. However, a rise in rates was observed towards the end of the year with a peak in December 2014. The development was attributed to the upward review of the MPR by 100 basis points to 13.0 per cent, increase in the cash reserve requirement (CRR), as well as widening of the foreign exchange rate band.

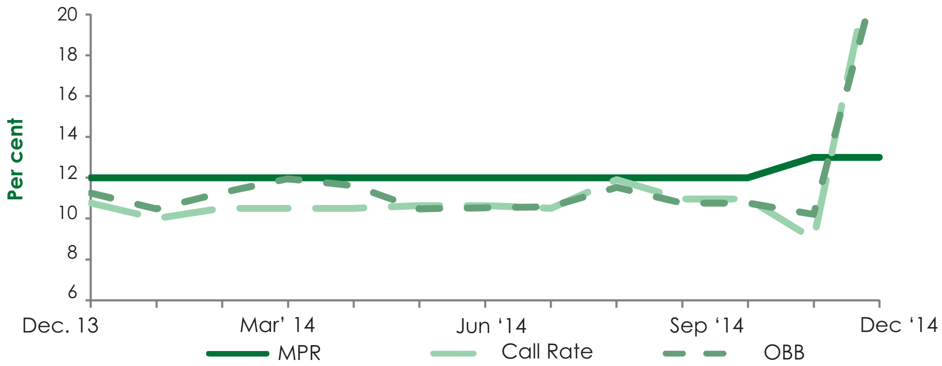
The average money market rates, with the exception of the open-buy-back (OBB) rate and the MPR, were lower than their levels at end-December 2013. The average interbank call rate fell from 12.07 to 11.69 per cent, and the OBB rate fell to 11.86 per cent, from 12.02 per cent at end-December 2013.

**Table 2.2 : Monthly Interbank and OBB Rates Movements (Jan. 2013–Dec. 2014)**

| Period | Interbank (Call) Rate (%) | Open Buy Back Rate (%) |
|---|---|---|
| Jan-13 | 11.67 | 11.62 |
| Feb-13 | 11.98 | 11.87 |
| Mar-13 | 10.39 | 10.30 |
| Apr-13 | 11.24 | 10.62 |
| May-13 | 12.23 | 11.99 |
| Jun-13 | 11.59 | 11.19 |
| Jul-13 | 10.63 | 10.46 |
| Aug-13 | 15.24 | 13.77 |
| Sep-13 | 16.88 | 19.14 |
| Oct-13 | 11.08 | 10.99 |
| Nov-13 | 11.15 | 11.00 |
| Dec-13 | 10.75 | 11.24 |
| 2013 Average | 12.07 | 12.02 |
| Jan-14 | 10.00 | 10.47 |
| Feb-14 | 10.50 | 11.27 |
| Mar-14 | 10.50 | 11.94 |
| Apr-14 | 10.50 | 11.61 |
| May-14 | 10.63 | 10.47 |
| Jun-14 | 10.50 | 10.52 |
| Jul-14 | 10.50 | 10.58 |
| Aug-14 | 11.91 | 11.53 |
| Sep-14 | 10.96 | 10.76 |
| Oct-14 | 10.96 | 10.76 |
| Nov-14 | 8.98 | 10.20 |
| Dec-14 | 24.30 | 22.28 |
| 2014 Average | 11.69 | 11.86 |

Source: CBN

**Figure 2.1: Money Market Rates (per cent), 2014**




Source: CBN

#### 2.1.3.2 Deposit Rates

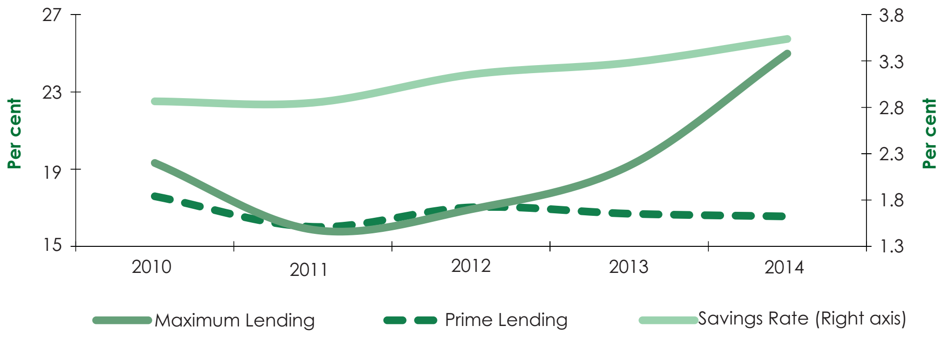
In general, banks' deposit rates were relatively higher in 2014, compared with the levels in the preceding year, in tandem with the Bank's monetary policy stance. Average term deposit rates in the review period increased gradually and peaked in March, reflecting largely the impact of the increase in private sector CRR from 12.00 per cent to 15.00 per cent. However, the effect was short-lived as maturing CBN bills buoyed liquidity in the market and pushed the rates downward. In response, the Bank reviewed the MPR and private sector CRR to 13.00 and 20.00 per cent, respectively, in November 2014 to stem liquidity surfeit in the banking system.

The average savings deposit rate rose by 1.21 percentage point to 3.38 per cent, while other rates of various maturities ranged between 4.63 – 9.89 per cent in 2014, from a range of 4.86 – 6.50 per cent in 2013. Similarly, the average term deposit rate rose by 1.83 percentage points to 8.50 per cent in 2014.

#### 2.1.3.3 Lending Rates

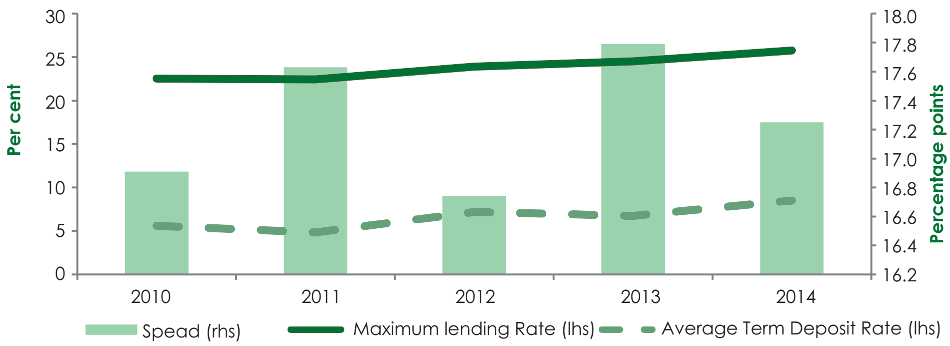
The weighted average prime lending rate fell by 0.14 percentage point to 16.55 per cent, while the average maximum lending rate rose by 1.36 percentage points to 25.74 per cent in 2014. Overall, the prime lending rate ranged between 15.88 and 16.95 per cent, while maximum lending rate ranged from 25.07 to 26.07 per cent in the review period. Consequently, the spread between the average term deposit and maximum lending rates narrowed to 17.25 percentage points in the review year, from 17.72 percentage points in 2013.

**Figure 2.2: Average Savings, Prime and Maximum Lending Rates, 2010 - 2014**




Source: CBN

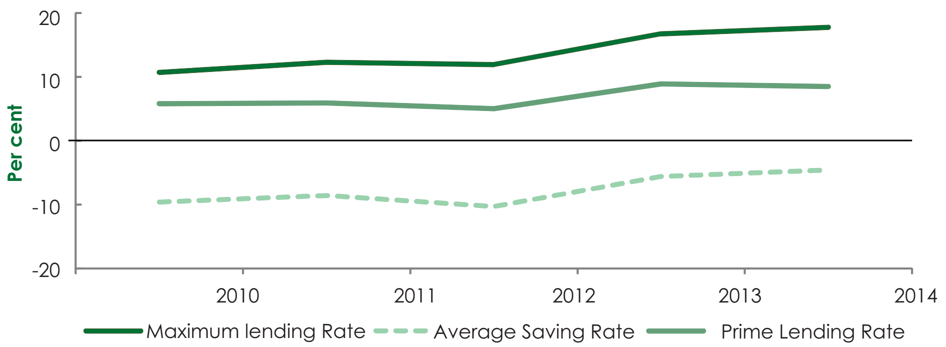
**Figure 2.3: Spread Between the Average Term Deposit and Maximum Lending Rates, 2010-2014**




Source: CBN

With the year-on-year inflation rate at 8.0 per cent in December 2014, most of the deposit rates were negative in real terms, while the lending rates were positive.

**Figure 2.4: Real Interest Rates, 2010 -2014**

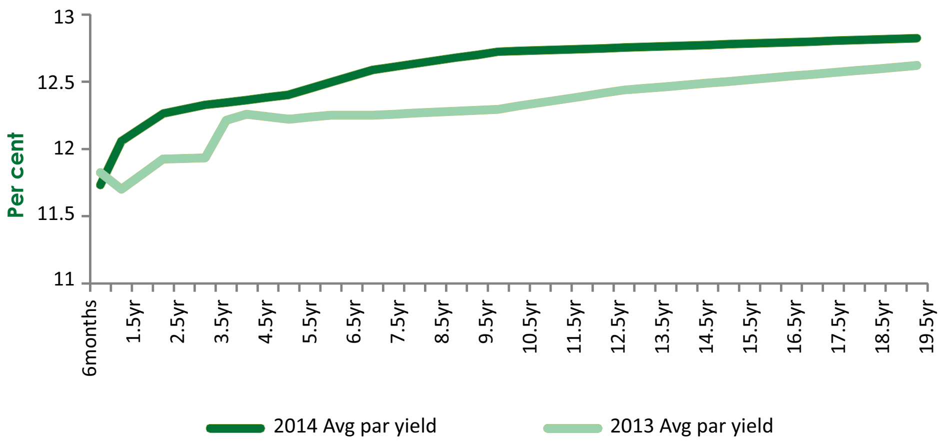



Source: CBN

**2.1.3.4 Return on Fixed Income Securities - The Yield Curve**

Yields on fixed income securities were generally higher in 2014 than in the preceding year reflecting, largely, the shift in investor risk perception across maturities, as well as the tight monetary policy stance of the Bank. In addition, the policy stance was intended to stem the reversal in foreign portfolio inflows, curb excess liquidity in the banking system, and encourage investment in government bonds by foreign and domestic investors. The yield curve was normal, with a spread of 1.1 percentage points between long and short-term rates, compared with the yield spread of 0.8 percentage point in 2013.

**Figure 2.5: Government Bonds and Average Yield**




Source: CBN

**2.1.4 Developments in the Payments System**

During the review period, the Bank, in furtherance of its effort towards the development of a safe, reliable and efficient payments system in Nigeria, executed the following policies and initiatives.

**2.1.4.1 The Bank Verification Number (BVN) Scheme**

The implementation of the Bank Verification Number (BVN) Scheme in the banking industry aimed at addressing the absence of a unique identifier, was intensified during the review period. The initiative has the following guidelines:

- All DMBs were required to enrol at least 40 per cent of their customers on or before December 31, 2014;
- All customers obtaining new loans were expected to have the BVN as a condition precedent to drawdown, from November 3, 2014;
- All existing borrowers were required to have BVNs by December 31, 2014;

- Transactions valued at ₦100,000,000.00 (One hundred million Naira) would only be allowed for customers with BVN, by March 2015; and

- All bank customers were required to have their BVN as any customer without BVN would be deemed not to have met the KYC requirement by June 2015.

As at end-December 2014, over 3.0 million customers had registered under the BVN Project in the central database.

#### 2.1.4.2 Instant and Next Day Value Payment Operations

The Bank stipulated minimum controls for different categories of online funds transfer to strengthen the security of instant payments and next day value funds transfer. In addition, banks were directed to comply with the following risk mitigation measures:

- Daily limits of ₦1 million (instant value) and ₦10 million (next day value) for Nigeria Inter-bank Settlement System (NIBSS), Instant Payment (NIP) and NIBSS Electronic Funds Transfer (NEFT), respectively, and other electronic payments options with similar features, initiated by individuals, with effect from September 1, 2014;

- Daily limits of ₦10 million (instant value) and ₦100 million (next day value) for NIP and NEFT, respectively, and other electronic payments options with similar features, initiated by corporates, with effect from September 1, 2014; and

- Customers were required to issue a written indemnity to the bank whenever they choose to initiate a transaction above the specified limit, subject to a maximum of ₦5 million and ₦100 million for individuals and corporates, respectively. Transfers above ₦100 million were required to be done through the RTGS system.

#### 2.1.4.3 The Payment Card Industry Data and Security Standard (PCIDSS)

The Bank directed all DMBs, Processors & Switches to be PCIDSS-certified by November 30, 2014. At the end of the prescribed period, Switches, Processors and 19 DMBs had complied with the directive.

#### 2.1.4.4 The Cash-less Policy and e-Payment Incentive Scheme

The implementation of the cash-less policy was extended to the remaining 30 states of the Federation on July 1, 2014. However, the application of a processing fee on withdrawals above the set threshold was deferred till July 1, 2015 for the 30 states. To boost the adoption of the cash-less initiative, the Bank introduced an Industry-wide Incentive Scheme and awareness campaign for e-payments stakeholders and users. The Scheme aims at rewarding the usage of e-payments channels.

#### 2.1.4.5 The Re-introduction of Remote-On-Us ATM Fee

As part of the strategy to improve on ATM operations in the country, the Bank approved the re-introduction of a remote-on-us cash withdrawal transaction fee of ₦65 per transaction, effective September 1, 2014. The fee was to remunerate the switches and was applicable from the 4th "remote-on-us" withdrawal in a month by a cardholder, thereby making the first three withdrawals free for the cardholder.

#### 2.1.4.6 The Accreditation of Cheque Printers

In furtherance of the provisions of the Nigeria Cheque Printers' Accreditation Scheme (NICPAS), the Bank, in collaboration with the MICR Technical Implementation Committee, conducted the accreditation of cheque printers in Nigeria for 2014. At the end of the exercise, four (4) cheque printers, namely, the Nigerian Security Printing and Minting Company Plc, the Tripple Gee and Company Plc, the Superflux International Limited and the Euphoria Group Limited were accredited to print cheques and other debit-pull paper instruments for the country.

#### 2.1.4.7 The Payments System Vision 2020 (PSV 2020)

The Bank, in conjunction with the Nigeria Export Processing Zones Authority, drafted guidelines for the operations of banks in the free trade zones (FTZ). The objective of the Guidelines was to prescribe detailed regulatory and supervisory requirements to promote efficient and sustainable banking services in Nigeria's FTZs.

In line with best practice, the Bank approved the adoption of SWIFT Sanction Screening Services by DMBs.

## 2.2 CURRENCY OPERATIONS

### 2.2.1 The Issuance of Legal Tender Currency

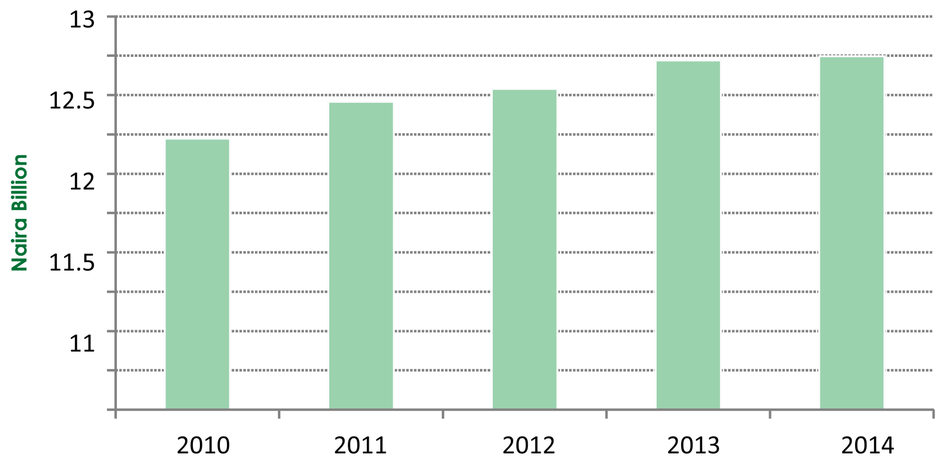
In order to meet the currency needs of the economy in 2014, the Bank projected an indent of 1,760.09 million pieces of banknotes of various denominations, a decline of 5.5 per cent from the level in the preceding year. The Nigerian Security Printing and Minting (NSPM) Plc was awarded the contract for the production of the entire indent. Out of the order, the company delivered 1,144.02 million pieces, or 65.0 per cent, with an outstanding balance of 616.70 million, or 35.0 per cent, at end-December 2014. To address the shortfall in the currency supply, the Bank purchased 3 million pieces of ₦500, 3.45 million pieces of ₦100 banknotes, 3.6 million pieces of ₦20, and 2.4 million pieces of ₦10 from foreign printers. In addition, the Bank approved the printing of one billion pieces of the ₦100 centenary commemorative banknote to celebrate Nigeria's 100 years of existence (1914 - 2014) from Crane Currency, Sweden. The banknote was formally unveiled by the President on November 12, 2014 and its circulation commenced on December 19, 2014. At end-December 2014, 5.0 per cent of the banknotes had been delivered.

To maintain confidence and integrity and enhance the quality of banknotes in circulation, the Bank continued its currency processing and sorting activities in 2014. Consequently, through its sorting activities and in collaboration with security agencies and DMBs, the Bank eliminated from circulation a total of 88,952 pieces of counterfeit notes with a nominal value of ₦67.21 million. This showed an increase of 31.5 and 49.8 per cent in volume and value terms, respectively, over the levels in 2013.

### 2.2.2 Currency-in-Circulation (CIC)

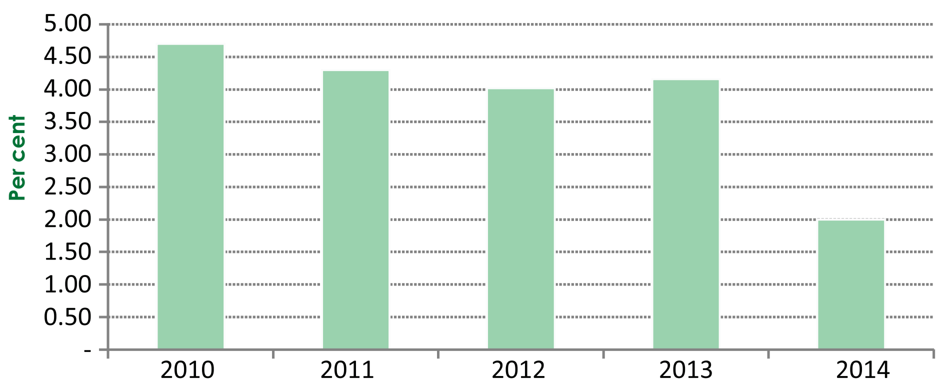
Currency-in-circulation at end-December 2014 stood at ₦1,797.97 billion, representing an increase of 1.9 per cent over the level in 2013. The growth in CIC reflected increased economic activities in the country. The ratio of CIC to nominal GDP, which measures the moniness of the economy, declined to 2.0 per cent in 2014, compared with 2.2 per cent in 2013. The fall in the ratio reflected the effectiveness of the Bank's cash-less policy.

**Figure 2.6a Currency-in-Circulation, 2010 - 2014**




Source: CBN

**Figure 2.6b Ratio of Currency-in-Circulation to GDP, 2010 - 2014**




Source: CBN

**Table 2.3: Currency Structure, 2010 – 2014**

| | 2010 | | 2011 | | 2012 | | 2013 | | 2014 | |
|---|---|---|---|---|---|---|---|---|---|---|
| Coins | Volume (million) | Value (₦ billion) | Volume (million) | Value (₦ billion) | Volume (million) | Value (₦ billion) | Volume (million) | Value (₦ billion) | Volume (million) | Value (₦ billion) |
| ₦2 | 107.83 | 0.22 | 107.87 | 0.22 | 107.82 | 0.22 | 107.50 | 0.22 | 107.54 | 0.22 |
| ₦ 1 | 530.11 | 0.53 | 581.23 | 0.58 | 616.31 | 0.62 | 616.36 | 0.62 | 616.46 | 0.62 |
| 50k | 434.48 | 0.22 | 529.72 | 0.26 | 581.07 | 0.29 | 579.70 | 0.29 | 579.95 | 0.29 |
| 25k | 196.53 | 0.05 | 339.12 | 0.08 | 347.80 | 0.09 | 347.80 | 0.09 | 348.23 | 0.09 |
| 10k | 212.82 | 0.02 | 302.89 | 0.03 | 315.31 | 0.03 | 315.31 | 0.03 | 315.55 | 0.03 |
| 1k | 48.74 | 0.0048 | 12.75 | 0.0799 | 16.70 | 0.0017 | 16.70 | 0.0017 | 31.24 | 0.0030 |
| **Sub Total** | **1,530.51** | **1.04** | **1,873.58** | **1.26** | **1,985.01** | **1.25** | **1,983.37** | **1.25** | **1,998.97** | **1.25** |
| **Notes** | | | | | | | | | | |
| ₦1000 | 663.76 | 663.70 | 959.45 | 959.45 | 1,071.32 | 1,071.32 | 1,133.40 | 1,133.40 | 1,068.93 | 1,068.93 |
| ₦500 | 1,027.78 | 513.89 | 726.22 | 363.10 | 714.98 | 357.49 | 955.88 | 477.94 | 1,051.75 | 525.88 |
| ₦200 | 501.27 | 100.25 | 621.75 | 124.31 | 605.34 | 121.07 | 380.01 | 76.00 | 569.16 | 113.83 |
| ₦100 | 341.12 | 34.11 | 507.90 | 50.77 | 355.92 | 35.59 | 226.29 | 22.63 | 426.34 | 42.63 |
| ₦50 | 782.27 | 39.11 | 777.94 | 38.89 | 351.63 | 17.58 | 662.04 | 33.10 | 327.68 | 16.38 |
| ₦20 | 752.65 | 15.10 | 788.67 | 15.77 | 974.93 | 19.50 | 1,165.27 | 23.30 | 956.74 | 19.13 |
| ₦10 | 680.61 | 6.81 | 789.13 | 7.89 | 546.91 | **5.47** | **639.05** | **6.39** | **746.02** | **7.46** |
| ₦5 | 837.93 | 4.19 | 865.38 | 4.33 | 490.37 | 2.45 | 560.58 | 2.80 | 496.74 | 2.48 |
| **Sub-Total** | **5,587.39** | **1,377.16** | **6,036.43** | **1,564.50** | **5,111.40** | 1,630.47 | 5,722.52 | 1,775.56 | 5,643.36 | 1,796.72 |
| **Total** | **7,117.90** | **1,378.20** | **7,910.01** | **1,565.76** | **7,096.42** | **1,631.72** | **7,705.89** | **1,776.81** | **7,642.33** | **1,797.97** |

Source: CBN

### 2.2.3 The Nigeria Cash Holding Scheme (NCHS)

In furtherance of its objective to reduce the cost of cash management in the financial system, the Bank organised a stakeholder-engagement workshop in August 2014 preparatory to the implementation of the second phase of the Nigeria Cash Holding Scheme. Various contributions were received from key stakeholders, including DMBs, registered cash sorting and cash-in-transit companies and the Nigerian Interbank Settlement System (NIBSS) on how to guarantee effectiveness and efficiency of the Scheme. Following the stakeholder-engagement workshop, the NCHS was expanded to include other relevant stakeholders for improved effectiveness.

## 2.3 FOREIGN EXCHANGE MANAGEMENT

The Bank maintained the retail Dutch Auction System (rDAS), re-introduced in October 2013, as the mechanism for the management of the exchange rate. Relative stability was achieved despite the divergence in the rates in the three segments of the foreign exchange market. In the last quarter of 2014, however, the market witnessed high foreign exchange rate volatility as a result of excessive demand pressure and other developments in the external sector, especially the crash in international crude oil prices and the subsequent dwindling external reserves. To ensure market stability, the Bank undertook market reforms to stem demand pressure in the spot and BDC segments.

In the spot segment, the mid-point of the official exchange rate was adjusted from ₦155/US$ to ₦168/US$. Also, the exchange rate band was widened by 200 basis points, from +3.0% to +5.0%, and the net foreign currency trading position of authorised dealers was moved from 1.0 per cent to zero. Furthermore, transactions other than raw materials and premium motor spirit (PMS) were moved from the rDAS to the inter-bank segment.

At the BDC segment: the minimum capital requirement was increased from ₦10.0 million to ₦35.0 million; the mandatory cautionary deposit was increased to ₦35.0 million and was to be kept in an interest-yielding account with the CBN upon the issuance of an Approval-in-Principle; ownership of multiple BDCs was barred; and application and licensing fees were reviewed upwards to ₦100,000.00 and ₦250,000.00, respectively. Also, authorised dealers and BDCs could engage in outward money transfer services, in partnership with renowned money transfer organisations.

### 2.3.1 Foreign Exchange Flows

Available data indicated that total foreign exchange inflow into the economy in 2014 amounted to US$156.52 billion, representing an increase of 7.8 per cent over the level in 2013. This comprised US$46.59 billion or 29.8 per cent of total inflow through the CBN and US$109.93 billion or 70.2 per cent inflow through autonomous sources.

Aggregate foreign exchange outflow from the economy during the review period also rose by 28.9 per cent to US$56.25 billion. The outflow from the CBN increased by 29.6 per cent over the level in the preceding year, and amounted to US$54.83 billion. Total foreign exchange outflow from autonomous sources increased by 7.5 per cent to US$1.42 billion from the level in the previous year. Outflow from the CBN accounted for 97.5 per cent, while outflow from autonomous sources accounted for only 2.5 per cent of the total.

Net inflow recorded through the economy was US$100.27 billion in 2014. This development was attributed solely to the huge inflow of US$109.99 billion through the autonomous sources. However, the foreign exchange flows through the CBN experienced an annual net outflow of US$8.24 billion in the review year, compared with the net outflow of US$1.25 billion in the preceding year.

A broad disaggregation of inflow through autonomous sources showed that invisible purchases accounted for US$99.12 billion; non-oil exports, US$10.53 billion; and external accounts purchases, US$0.34 billion. Invisible purchases comprised, over-the-counter (OTC) and ordinary domiciliary account purchases, which amounted to US$57.29 billion (57.8%) and US$41.83 billion (42.2%), respectively. A further breakdown of OTC purchases indicated that, oil companies, capital importation, home remittances and other OTC purchases accounted for 22.7, 34.6, 2.1 and 40.6 per cent, respectively. Similarly, at US$1.42 billion, total outflow through autonomous sources was mainly payments for imports (goods) and invisibles, which amounted to US$1.36 billion and US$0.06 billion, respectively.

A breakdown of foreign exchange inflow through the CBN showed that crude oil export receipts improved marginally over the level in 2013 by 4.4 per cent to US$38.63 billion, despite the crash in crude oil price in the last quarter of 2014. The non-oil component of the inflow through the Bank also rose substantially by 94.8 per cent, over the level in the preceding year. This was attributed, mainly, to the increases in rDAS purchases, swaps and other official receipts, which accounted for US$0.78 billion, US$4.03 billion and US$3.00 billion, respectively.

The increase in foreign exchange outflow through the CBN was due, largely, to the rise in foreign exchange utilisation in the rDAS segment, and accounted for US$48.06 billion or 87.6 per cent of the total. Aggregate outflow through rDAS utilisation comprised rDAS sales, US$32.56 billion and BDC sales, US$4.45 billion. The rDAS sales rose by 27.6 per cent over the level in 2013 due to increased demand pressure. The amount of foreign exchange sold to BDCs, however, fell by 16.2 per cent from US$5.31 billion in the preceding year, following the implementation of the new policy on the reduction of weekly foreign exchange sales to the operators in the segment from US$50,000.00 to US$15,000.00 in the second half of 2014. At the rDAS forwards segment, forwards contracts rose substantially from US$0.21 billion in 2013 to US$3.31 billion. The development was attributed to increased hedging activities by market participants. Interbank sales during the review period grew to US$7.73 billion from US$3.94 billion in 2013.

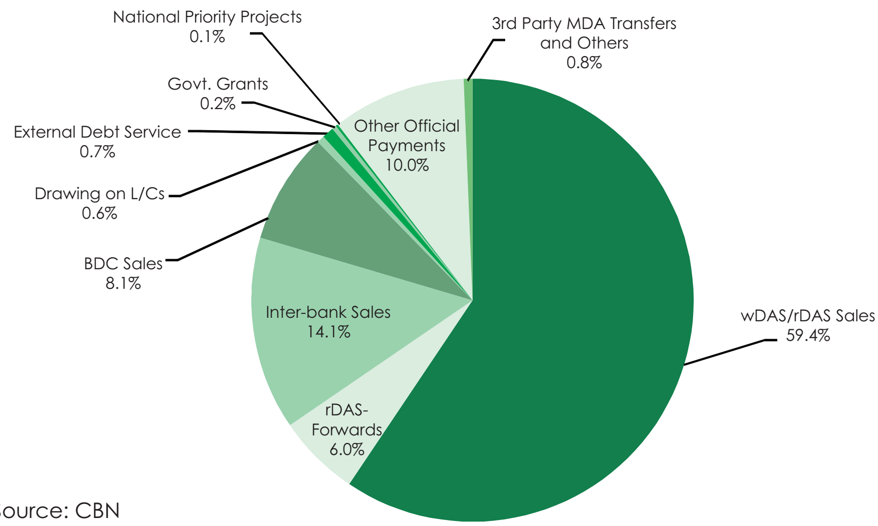
The outflow of foreign exchange for payment of external debt services and other official payments also rose by 24.7 and 7.0 per cent, from their respective levels in the preceding year, to US$0.37 billion and US$5.64 billion. The rise in the official payments component was driven, largely, by the increased demand for foreign exchange by parastatals, payment of estacode; and miscellaneous payments. Payments for the Nigerian National Petroleum Corporation/Joint Venture Cash (NNPC/JVC) calls and, international organisations and embassies fell respectively by 0.5 and 38.8 per cent below the levels in 2013. Also, payments for national priority projects and drawings on Letters of Credit (L/Cs) declined by 15.6 and 20.4 per cent, respectively, compared with the levels in 2013.

## Table 2.4: Foreign Exchange Flows Through the Economy (US$' Million)

| FOREIGN EXCHANGE FLOWS | 2013 1/ | 2014 2/ |
|---|---|---|
| **INFLOW THROUGH THE ECONOMY** | **145,260.24** | **156,522.71** |
| **A. Inflows through the CBN** | **41,070.25** | **46,590.56** |
| 1. Oil | 36,982.31 | 38,625.59 |
| 2.Non-oil | 4,087.94 | 7,964.97 |
| | | |
| **B. Through Autonomous Sources** | **104,189.99** | **109,992.15** |
| 1. Non-oil Export Receipts by banks | 6,103.97 | 10,534.02 |
| 2. External Accounts purchases | 361.74 | 336.30 |
| 3. Invisibles purchases | 35,601.29 | 99,121.83 |
| (a) Ordinary Domiciliary Accounts | 35,601.29 | 41,833.13 |
| (b) Total OTC Purchases | 62,123.00 | 57,228.70 |
| | | |
| **OUTFLOW THROUGH THE ECONOMY** | **43,646.65** | **56,252.52** |
| **A. Through the Central Bank** | **42,322.18** | **54,829.38** |
| **1. rDas/foreign Exchange Utilisation** | **35,238.17** | **48,056.42** |
| a. wDAS/rDAS Sales | 25,524.55 | 32,564.69 |
| b. rDAS-Forwards | 206.79 | 3,311.83 |
| c. Inter-bank Sales | 3,938.50 | 7,729.58 |
| d. BDC Sales | 5,311.79 | 4,450.32 |
| e. Swaps | 256.54 | - |
| **2. Drawings on L/Cs** | **433.14** | **344.83** |
| **3. External Debt Service** | **292.69** | **365.12** |
| **4. National Priority Projects** | **80.95** | **68.36** |
| **5. Other Official Payments** | **5,272.62** | **5,642.18** |
| **6. NSIA Transfers** | **1,000.00** | **-** |
| **7. 3rd Party MDA Transfers** | - | **352.48** |
| **8. Others** | | **1.16** |
| | | |
| **B. Through Autonomous Sources** | **1,324.47** | **1,424.14** |
| 1. Imports | 1,219.35 | 1,360.12 |
| 2. Invisibles | 105.11 | 64.02 |
| | | |
| **NETFLOW THROUGH THE CBN** | **(1,251.93)** | **(8,238.82)** |

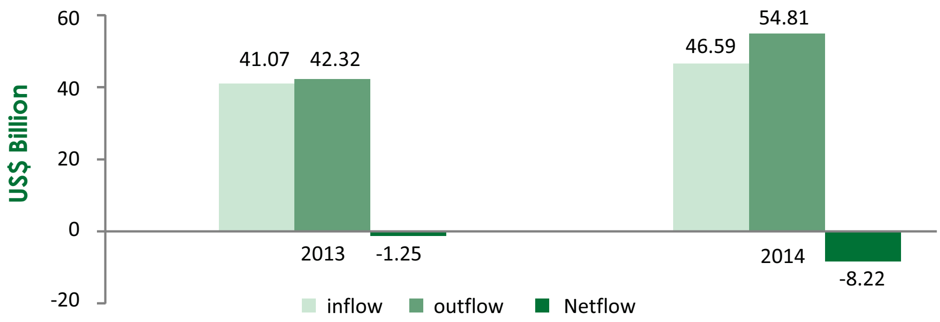
1/ Includes penalty charges and service charges
2/ Revised
Source: CBN

## Figure 2.7: Foreign Exchange Disbursement through the CBN, 2014 (US$' Billion)




Source: CBN

**Figure 2.8 Foreign Exchange Flows through the CBN, 2013-2014**




Source: CBN

### 2.3.2 Developments in the Foreign Exchange Market

At the official segment of the foreign exchange market, a total of ninety-six (96) bi-weekly auctions were conducted by the Bank in 2014, as in the preceding year. The cumulative demand for foreign exchange rose significantly by 54.0 per cent to US$53.9 billion, compared with US$35.0 billion in 2013. This was attributed to high speculative activities, which emerged from the widening premium in the various segments of the foreign exchange market, and the response of the market to the Bank's foreign exchange reform policies. Total demand at the rDAS-spot rose by 64.8 per cent to US$48.57 billion, but contracted at the BDC segment by 16.2 per cent to US$4.45 billion. The demand pressure witnessed at the official window was attributed to high dividend repatriation, capital reversals and heightened importation of goods.

To curb the demand pressure and ensure market stability, CBN's sale of foreign exchange at the official window and special interventions rose significantly by 36.4 per cent above the level in 2013 to US$48.06 billion. Further analysis showed that sales at the rDAS-spot and the inter-bank segments increased by 27.6 and 96.3 per cent to US$32.56 billion and US$7.73 billion, respectively, while sales to BDCs fell by 16.2 per cent from the level in the preceding year to US$4.45 billion, due to the reduction in weekly sales par BDC to US$15,000.00.

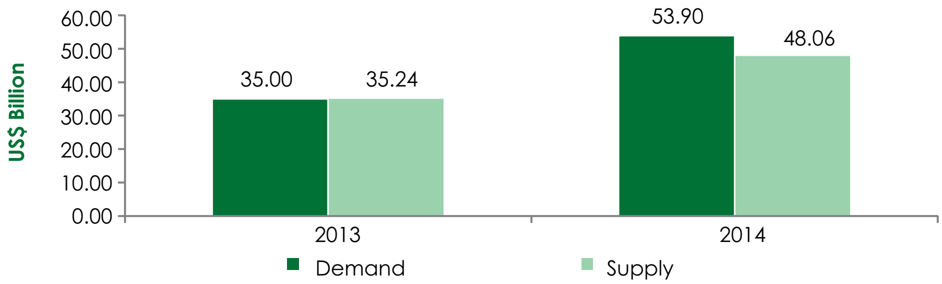
In 2014, no swap transaction was undertaken as against transactions valued at US$0.26 billion in 2013. Under the rDAS-forwards segment, the Bank conducted a total of thirteen (13) auctions for the 1-, 2- and 3- month tenors in 2014. Aggregate demand under the segment amounted to US$0.88 billion, and forwards contracts by the Bank amounted to US$0.86 billion. The Bank disbursed matured contracts valued at US$3.31 billion during the review period, compared with US$0.21 disbursed in 2013.

**Table 2.5: Demand and Supply of Foreign Exchange at the Foreign Exchange Market (US$)**

| DEMAND AND SUPPLY OF FOREIGN EXCHANGE | 2013 | 2014 |
|---|---|---|
| 1. Total Demand | 35,001.32 | 53,899.26 |
| i. rDAS Demand | 29,476.55 | 48,568.78 |
| ii. BDC Demand | 5,311.79 | 4,450.33 |
| iii. rDAS - Forward Demand | 212.99 | 880.16 |
| 2. Total Supply | 35,238.18 | 48,056.43 |
| i. Sales to rDAS | 25,524.55 | 32,564.69 |
| ii. Sales to BDCs | 5,311.79 | 4,450.33 |
| iii. WDAS-Forwards (Disbursement on Maturity) | 206.80 | 3,311.83 |
| iv. Interbank Sales | 3,938.50 | 7,729.58 |
| v. Swaps | 256.54 | - |

Source: CBN

**Figure 2.9: Demand and Supply of Foreign Exchange, 2013 – 2014 (US$'Billion)**




Source: CBN

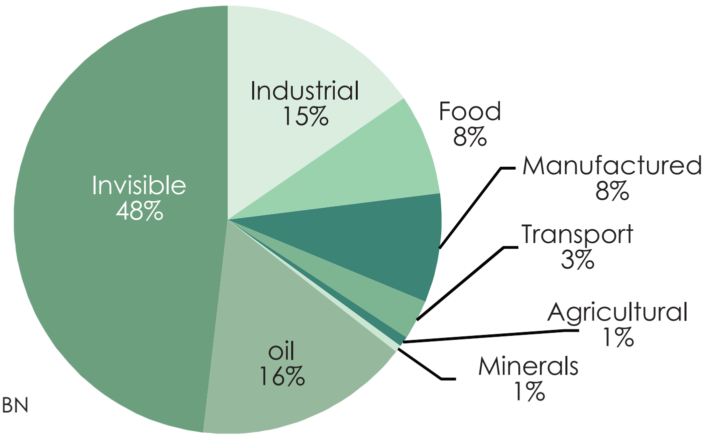
### 2.3.3 Sectoral Utilisation of Foreign Exchange

The utilisation of foreign exchange through the banking system rose by 21.7 per cent over the level in the preceding year to US$66.0 billion in 2014. Utilisation for visibles (goods) grew by 21.7 per cent, from US$28.09 billion in 2013 to US$34.20 billion, and accounted for 51.8 per cent of total. Utilisation for invisible trade also rose by 21.8 per cent to US$31.79 billion in 2014 and accounted for 48.2 per cent of the total.

A breakdown of amount utilised for visibles (goods) showed that agricultural, oil, transport, manufactured and industrial sectors rose by 72.5, 31.5, 29.2, 29.1 and 20.2 per cent over the respective levels in 2013 to US$0.51 billion, US$10.73 billion, US$1.99 billion, US$5.43 billion and US$10.16 billion, respectively, in 2014. The foreign exchange utilised for food products and minerals, however, fell by 0.5 and 10.9 per cent to US$5.03 billion and US$0.35 billion, respectively.

A disaggregation of the foreign exchange utilised for invisibles showed that the financial sector services accounted for the largest share of 79.1 per cent as it rose by 13.1 per cent to US$25.13 billion in 2014. Foreign exchange utilised by business, communications, distribution, education, and transport services rose by 135.9, 59.4, 57.5, 35.5 and 15.0 per cent to US$3.06 billion, US$0.87 billion, US$0.11 billion, US$0.35 billion, and US$1.54 billion, respectively, over the levels in the preceding year. Similarly, payments for tourism, recreational services and other services rose to US$0.29 billion, US$1.59 million and US$0.35 billion, from US$0.02 billion, US$ 1.02 million and US$0.27 billion in 2013, respectively. However, outflow in respect of construction and related engineering services, and health-related and social services fell by 19.7 and 55.1 per cent to US$70.0 million and US$0.79 million, respectively, from the levels in 2013.

**Figure 2.10: Sectoral Utilisation of Foreign Exchange, 2014 (Per cent)**

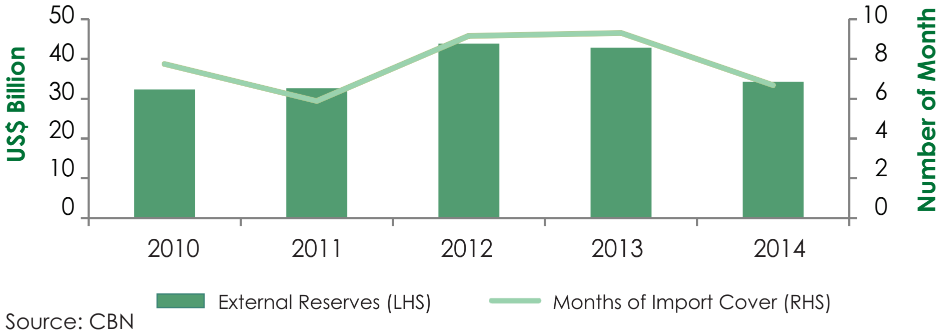



Source: CBN

### 2.3.4 External Reserves Management

The stock of external reserves declined by 20.1 per cent from the level at end-December 2013 to US$34.24 billion, due, primarily to increased foreign exchange interventions by the Bank to stabilise the exchange rate.

**Figure 2.11: Gross External Reserves Position (US$'Billion) and Months of Import Cover, 2010 – 2014**




Source: CBN

A disaggregation of external reserves by ownership showed that the CBN, the Federation Account and the Federal Government components amounted to US$27.78 billion, US$3.32 billion and US$3.14 billion, representing 81.1, 9.7 and 9.2 per cent of the total reserves at end-December 2014, respectively. The Federation and the FGN portions of the external reserves increased by 0.9 and 19.8 per cent, respectively, above the levels at end-December 2013, while the CBN component declined by 24.8 per cent, due to increased market interventions and the sharp decline in crude oil export receipts that resulted from the fall in international prices of crude oil. The stock of external reserves could finance 6.7 months of import (goods), compared with 9.3 months at end-December 2013.

**Figure 2.12: Holdings of External Reserves at end-December 2014 (US$ Billion)**

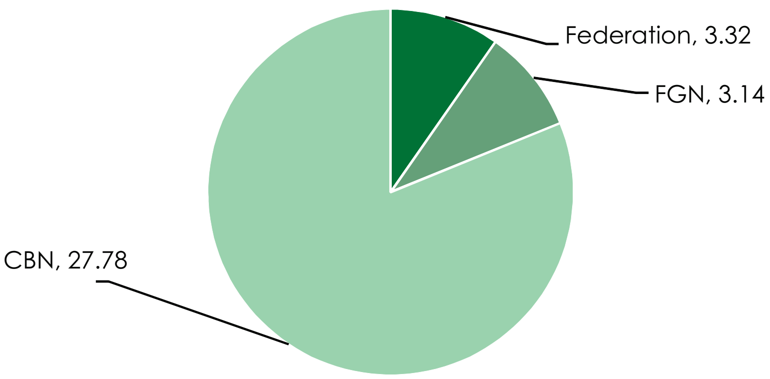
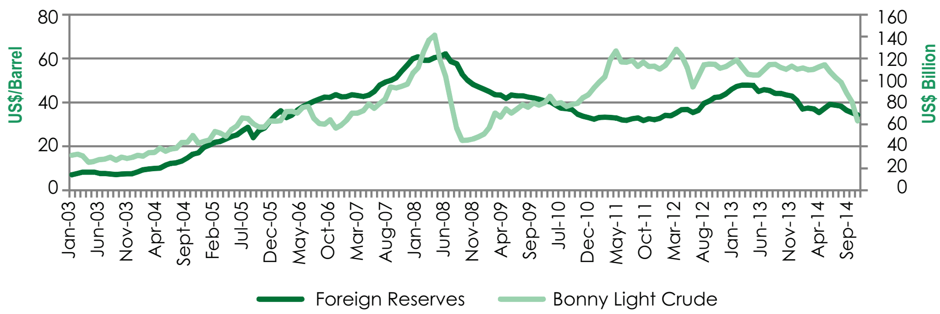



**Figure 2.13: External Reserves Position and Crude Oil Price**




Source: CBN

Aggregate earnings from the management of external reserves in the review period increased by 12.4 per cent to US$157 million (₦26.63 billion) over the level in the preceding year, while the total earnings on securities lending fell to US$1.34 million from US$1.36 million realised in 2013. Also, the externally managed portfolio recorded a net unrealised loss of ₦9.65 billion in 2014.

The Bank, under its external asset management programme, signed a Master Securities Lending Agreement with JP Morgan Chase (the global Custodian). Under the programme, the Custodian was allowed to lend securities purchased by Fund Managers to eligible borrowers in accordance with pre-defined guidelines.

Furthermore, the performances of the 1-3 investment portfolios under which the external reserves was managed were benchmarked as follows: US Treasury Bonds portfolio was measured against the Bank of America Merrill Lynch 1-3 year US Treasury Index, while the Global Government Short-Duration (US Hedged) portfolio was measured against the Bank of America Merril Lynch Global Government Bond G7 1-3 year index ex-Italy 100.0 per cent hedged to the US dollars. The CNH portfolio was measured against the Citigroup DIM Sum off-shore index.

## 2.4 SURVEILLANCE OF THE ACTIVITIES OF FINANCIAL INSTITUTIONS

### 2.4.1 Banking Supervision

The Bank continued with the surveillance of financial institutions under its purview with the conduct of on-site and off-site supervision in the banking system in 2014. To this end, it adopted various approaches, including risk-based supervision, the review and regular appraisal of banks' periodic returns, spot checks, monitoring, and special investigations, among others.

The implementation of the Basel II Accord in the Nigerian banking sector commenced in January 2014 with a nine-month period of parallel run of Basel I and Basel II, while the full adoption of the Basel II commenced on October 1, 2014. The parallel run of the two regulatory frameworks afforded banks and supervisors the opportunity to prepare for the implementation of the new regulation, with some stringent modifications. The new regulation required banks to commence its implementation with the Standardised Approach for Credit Risk, although all corporate exposures were still treated as unrated with a risk weight of 100 per cent similar to Basel I provisions, due to the dearth of rating agencies in Nigeria. For market and operational risks, the Standardised Approach and the Basic Indicator Approach were adopted, respectively. The major change in the definition of regulatory capital was the inclusion of Tier II capital that was limited to one-third of Tier I capital as against the 100 per cent limit of Tier 1 prescribed in the Basel 1 Accord. Tier 3 capital is not allowed in the capital adequacy computation. The minimum capital adequacy ratio (CAR) in Nigeria was retained at 10.0 and 15.0 per cent for banks with national and international authorisation, respectively.

Under the Supervisory Review Process of the Basel II regulation, banks were required to carry out their Internal Capital Adequacy Assessment Process (ICAAP) on an annual basis, as at December, and forward copies of the assessment report to the CBN for review, not later than four (4) months after the year end. As at December 31, 2014, all banks and

*The implementation of Basel II in the Nigerian banking sector commenced in January 2014 with a nine-month period of parallel run of Basel I and Basel II, while the full adoption of the Basel II commenced on October 1, 2014.*

discount houses had submitted their ICAAP reports in compliance with this requirement. The CBN, on its part, reviewed the ICAAP reports, dialogued with the institutions and provided feedback accordingly.

The Bank intensified efforts at enhancing capacity and information sharing among supervisors in other financial jurisdictions during the review period. In this regard, a study tour on the regulation and supervision of development finance institutions was organised for officials of the Bank of Tanzania from January 20 – 24, 2014. The Bank also hosted officials of the Bank of Uganda from February 24 – 25, 2014 to discuss avenues for enhancing oversight of cross-border operations of banking groups. In addition, on December 4, 2014, the CBN and the Bank of Mauritius signed an MoU on cooperation and collaboration in the regulation and supervision of financial institutions. The Bank also signed an MoU with the Central Bank of Sudan in March 2014 on mutual cooperation on banking regulation and supervision, bringing the number of such MoUs signed by the CBN to seventeen (17). In a related development, the CBN hosted the inaugural meeting of the College of Supervisors for United Bank for Africa Plc from June 18 – 19, 2014 in Abuja, Nigeria. The 17th meeting of the College of Supervisors for the West African Monetary Zone (CSWAMZ) was also hosted by the CBN from July 16 -18, 2014 at the CBN International Training Institute, Abuja, Nigeria. The Bank conducted on-site examination of thirteen (13) foreign subsidiaries of Nigerian banks during the review period.

In the other financial institutions sub-sector, the implementation of the International Financial Reporting Standards (IFRS) commenced in 2014. Accordingly, thirty-three (33) OFIs, comprising one (1) DFI, nine (9) PMBs, six (6) FCs and seventeen (17) MFBs prepared their 2013 end of year financial statements in line with the IFRS.

The CBN Credit Risk Management System (CRMS) continued to provide a useful platform for credit information in the banking industry. At end-December 2014, the number of borrowers registered in the CRMS database stood at 125,371, indicating an increase of 31.5 per cent over the number recorded in the preceding year. Similarly, the number of borrowers with outstanding facilities rose by 46.0 per cent to 48,837 and the number of credit facilities in the database rose significantly by 71.5 per cent to 78,341 at end-December 2014, due to increased compliance by banks.

**Table 2.6: Borrowers from the Banking Sector**

| Description | 2013 | 2014 | Absolute Change | % Change |
|---|---|---|---|---|
| Total No. of Borrowers | 95,347 | 125,371 | 30,024 | 31.5 |
| No. of Borrowers with outstanding credit | 33,452 | 48,837 | 15,385 | 46.0 |
| No. of Credit/facilities | 45,682 | 78,341 | 32,659 | 71.5 |

Source: CBN CRMS

The three (3) existing private credit bureaux (PCBs) continued to complement the CRMS in credit administration. At end-December 2014, the borrowers in their database stood at 97.7 million, compared with 23.41 million at end-December 2013, reflecting increased patronage. The cumulative credit report obtained from the three credit bureaux stood at 2.8 million at end-December 2014, compared with 1.6 million at end-December 2013.

The Bank, in collaboration with the NIBSS and the National Association of Microfinance Banks (NAMBs), extended BVN to OFI customers, principally the MFBs. The BVN would strengthen risk management and know-your-customer (KYC) processes in the banking sector. The implementation would further integrate the customers of MFBs into the financial system, strengthen financial inclusion and the payments system.

### 2.4.2 Prudential Review

The industry average CAR for banks stood at 15.9 per cent, compared with the average of 17.2 per cent at end-December 2013. The deterioration in CAR during the review period was due, largely, to the change in the methodology for the computation of CAR, from Basel I to Basel II. The asset quality of banks, measured by the ratio of non-performing loans to industry total, further improved, as it declined from 3.2 per cent at end-December 2013, to 2.9 per cent in 2014. The average industry liquidity ratio (LR), stood at 45.9 per cent, compared with 50.6 per cent at end-December 2013, and exceeded the prescribed LR of 30.0 per cent by 15.9 percentage points.

### 2.4.3 Code of Corporate Governance for Banks and Guidelines for Whistle-blowing in the Nigerian Banking Industry

During the review year, the CBN issued a revised Code of Corporate Governance for Banks and Discount Houses in Nigeria, which replaced the earlier one issued in 2004. The new Code, issued alongside the Guidelines for Whistle-blowing in the Nigerian Banking Industry, was designed to:

- Provide a framework for the effective governance of banks and discount houses;
- Ensure that board members are fully aware of their fiduciary and other responsibilities to their institutions, shareholders and other stakeholders;

- Ensure that all stakeholders appreciate the rationale for the separation of ownership and control of banks and discount houses;

- Serve as a guide to financial institutions in the development of governance policies and processes;

- Promote effective communication between the institution and its shareholders, on one hand, and with other stakeholders, on the other;

- Promote adequate and timely disclosure of all material information to shareholders and other stakeholders; and
- Eliminate challenges which hindered the effective implementation of the 2004 Code.

The Code requires banks and discount houses to submit quarterly returns on their compliance status, with effect from October 1, 2014, while the Guideline provides a standard for the treatment of whistle-blowing reports in the industry. It also provides protection for the whistle-blower.

### 2.4.4 Financial Crimes Surveillance/Anti-Money Laundering

The CBN, in collaboration with the IMF, developed off-site risk assessment tools (ORAT), including the Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) risk assessment matrix. These regulatory tools serve as the platform for the implementation of the AML/CFT Risk-based Supervision (RBS) in the banking industry.

The Bank also conducted a compliance verification exercise on the implementation of the Tiered Know-Your-Customer (TKYC) requirements that were issued to the banking industry in 2013 to deepen financial inclusion. The exercise was conducted in the head offices and selected branches of banks and other financial institutions, covering 1,183 branches of 22 DMBs and 57 MFBs. It revealed that 172,885 Tier 1 and 130,321 Tier 2 accounts had been opened since the implementation of the TKYC.

The Bank strengthened its collaboration and cooperation with both domestic and international stakeholders to effectively address the security challenges in the country, especially the growing acts of terrorism. In this regard, the Bank collaborated with the office of the National Security Adviser and other regulatory agencies, namely, the Nigeria Financial Intelligence Unit (NFIU), the National Focal Point for Study and Research on Terrorism (NFPSRT), the Presidential Committee on the Financial Action Task Force (FATF), and the Inter-Agency Committee on illegal Fund Managers to ensure inter-institutional/agency collaboration and cooperation, in line with FATF recommendation No.2.

The Bank hosted a working visit of the representatives of the International Narcotics and Law Enforcement (NLE) and the US Internal Revenue Service (IRS) agencies. The visits were aimed at gaining understanding of the Bank's activities in combating money laundering and the financing of terrorism. It also hosted officials of the HSBC Bank Plc to exchange ideas on AML/CFT issues in the Nigerian banking industry and on regulatory changes in the US and the UK and their impact on the operations of HSBC Bank Plc.

The Bank also made inputs into the review of the Money Laundering Prohibition Act 2011 and the Terrorism Prevention Act 2011. The review was aimed at strengthening the provisions contained in both Acts and to meet international best practice. It also participated in the Inter-Governmental Action Group Against Money Laundering in West Africa (GIABA) Technical Commission/Plenary meeting held in Côte d' Ivoire.

#### 2.4.5 Special/Follow-up/Target Examination

A Joint CBN/NDIC Risk Assets Assessment Examination (Target) of all DMBs was conducted in 2014, to ascertain the quality of banks' assets and adequacy of loan loss provisioning in their 2013 annual accounts. They also conducted examination on banks with "High" and "Above Average" Composite Risk Rating as well as those with "Low" and "Moderate" Composite Risk Rating in July/August 2014 and September/October 2014, respectively. At the end of the exercise, some banks with a previous Composite Risk Rating of "Above Average" were upgraded to "Low" and "Moderate" Composite Risk Rating.

A risk-based examination of three (3) discount houses was carried out in 2014 to verify compliance with CBN guidelines. The examination reviewed breaches of the 2008 Revised Guidelines for discount houses, and appropriate sanctions were imposed on the errant institutions.

A routine examination of the three (3) private credit bureaux was also carried out during the period to ascertain their level of compliance with the Revised Guidelines. The review covered the operations for the period January 1, to December 31, 2013. The major observations in the report focused on issues related to board and management structure, customer dispute resolution, data exchange agreements, and internal audit. The recommendations of the examination reports have been sent to the affected institutions for implementation.

A maiden hybrid examination of the three (3) licensed Financial Holding Companies (HoldCos) was also carried out during the review period. The results of these examinations have been released to the affected institutions. The examination revealed that the HoldCos had complied, largely, with their operating guidelines, but some lapses were identified, which the concerned institutions had been directed to remedy. The risk-based examination of the two merchant banks was carried out during the third quarter of 2014 and the reports were released to the banks. The examination revealed lapses in risk management control functions and appropriate recommendations were made to the banks to address the lapses.

The Bank also undertook other ad-hoc investigations during the year, which included spot checks on AML/CFT, the non-performing loans (NPLs) position of selected banks, and banks' utilisation of Eurobond proceeds, foreign loans for on-lending, and other categories of foreign loans received by banks in Nigeria. The findings were communicated to the CBN management to provide inputs for policy decisions.

To enhance the skills of on-site examiners, particularly in the area of the application of IT Audit tools, a special in-house training on ACL, SQL and advanced Excel software packages (code named iSight Project) was carried out. At the end of 2014, the training of three (3) batches of twelve (12) examiners each had been concluded.

### 2.4.6 Foreign Exchange Monitoring/Examination

During the year, the Bank conducted two (2) routine foreign exchange examinations and a series of spot checks to ascertain the level of compliance of authorised dealers with the subsisting guidelines and regulations. The first examination reviewed the foreign exchange operations of banks for the period, October 1, 2013 to March 31, 2014, while the second covered the period, April 1 to September 30, 2014. In addition, various spot checks and ad-hoc foreign exchange examinations were conducted during the review period.

The routine examination revealed some infractions, including maintaining a foreign currency trading position above the regulatory limit, rendition of inaccurate returns to regulators, and inadequate documentation on importation, for which regulatory sanctions were imposed.

The Bank also conducted a special investigation of foreign exchange operations of the twenty-four (24) licensed banks between January and May, 2014. The focus was to determine their compliance with subsisting rules and guidelines on foreign exchange sourced from the official window. The investigation revealed that the DMBs breached the extant rules and regulations on foreign exchange. Consequently, the Bank revised the guidelines to address the observed gaps.

Towards the end of 2014, the demand pressure in the foreign exchange market necessitated a spot check on all the authorised dealers. The exercise was conducted to ensure adherence to the foreign currency trading position limit and the maximum 48-hour period for holding autonomous funds, to moderate the volatility of the exchange rates and conserve foreign reserves.

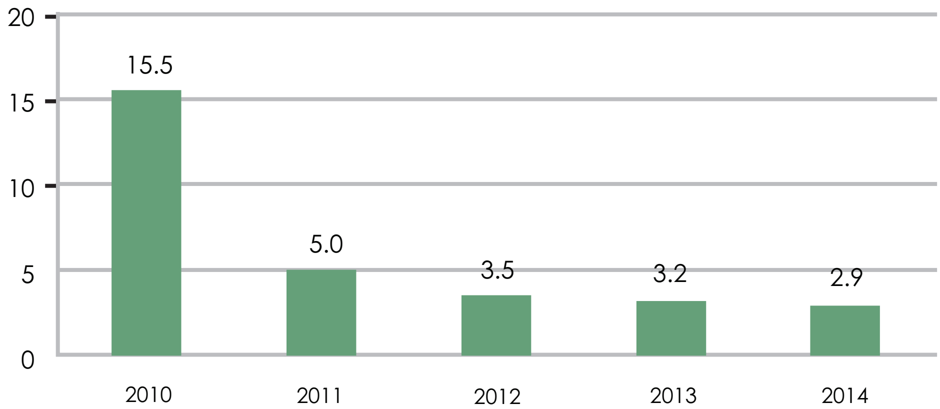
### 2.4.7 Banking Sector Soundness

The health of banks in the industry was generally sound as their asset quality, measured by the ratio of non-performing loans to industry total, further improved from 3.2 per cent at end-December 2013 to 2.9 per cent, compared with the benchmark of 5.0 per cent. The industry average CAR for banks stood at 15.9 per cent, compared with the average of 17.2 per cent at end-December 2013 and the 10.0 and 15.0 per cent benchmarks for banks with national and international authorisation, respectively. The average industry liquidity ratio stood at 45.9 per cent and exceeded the prescribed minimum of 30.0 per cent by 15.9 percentage points, compared with 50.6 per cent at end-December 2013.

In the other financial institutions sub-sector, twenty-four (24) FCs were classified as sound; six (6) marginal; six (6) unsound and twenty-four (24), technically insolvent (negative shareholders' fund). Four (4) FCs were, however, undergoing restructuring.

The ratio of non-performing loans to total loans in the PMBs sub-sector improved from 42.0 per cent in 2013 to 23.0 per cent, with twenty (20) PMBs meeting the 30.0 per cent benchmark, compared with twenty-three (23) in 2013. Seventeen (17) PMBs met the minimum mortgage assets to loanable funds ratio of 60.0 per cent, compared with twenty-six (26) in 2013. Also, thirty-four (34) PMBs out of forty-two (42) maintained their CAR and liquidity ratios above the regulatory minimum of 10.0 and 20.0 per cent, respectively, compared with 42 and 40 PMBs, respectively, out of eighty-two (82) at end-December 2013. However, one (1) PMB met the minimum mortgage assets to total assets ratio of 50.0 per cent, compared with three (3) at end-December 2013, reflecting the lack of focus on core mortgage banking business by operators.

**Figure 2.14: Banks' Non-Performing Loans, 2010 - 2014 (% Total Credit)**




Source: CBN

### 2.4.8 Examination of Other Financial Institutions

The Bank conducted on-site examinations of 1,124 other financial institutions (OFIs) in 2014, compared with 1,115 in the preceding year. Specifically, the exercise involved the examination of 834 MFBs and spot-checks on 390 bureaux-de-change (BDCs).

On-site examination was conducted on 834 MFBs during the review period. This represented 94.3 per cent of the subsisting 884 MFBs at end-December 2014. The 50 institutions that were not covered comprised 30 newly licensed MFBs, which were yet to qualify for maiden examination, and 20 others which had either closed shop or were undergoing restructuring. The examination reports showed a gradual improvement in the practice of microfinance banking, particularly the adoption of the Risk Management Framework of the CBN.

A pilot run of the post-examination monitoring exercise was conducted on the MFBs in two phases to evaluate compliance with Examiners' recommendations during the review year. The outcome of the monitoring exercise revealed a generally low level of compliance by MFB operators in implementing examiners' recommendations. Accordingly, supervisory letters were issued for infractions to all defaulting institutions and penalties applied as appropriate. Henceforth, the continued imposition of applicable penalties for non-compliance was expected to engender a much higher level of conformity by operators in the implementation of examiners' recommendations.

The Routine examination conducted on 322 BDCs during the review year provided evidence on the utilisation of foreign exchange by 259 BDC operators. The following infractions were observed: many of the BDCs that sourced huge foreign exchange from autonomous sources did not utilise the funds for eligible transactions; it was established that 239 out of 259 BDCs engaged in document-recycling as indicated in their returns; and some BDCs had either moved from their known offices without informing the Bank, or failed to operate in their offices. At the end of the exercise, the affected BDCs were sanctioned.

### 2.4.9 Financial Literacy and Consumer Protection

The CBN conducted a Financial Literacy Baseline Survey during the review period. The Survey was aimed at: determining the levels of financial literacy and capability amongst various socio-demographic segments of the Nigerian population; and identifying the main issues to be addressed in future financial education interventions. Other objectives included: providing an empirical basis for the efficient channeling of resources to the most vulnerable segment; providing data to serve as a basis for assessing changes in financial literacy and capability levels over time on a national level; and the provision of data on the formulation and review of relevant policies and programmes. The outcome of the survey was being analysed.

In addition, the Bank published a consumer information pack titled, "Basic Information on Financial Consumer Protection" containing publications on a wide-range of issues affecting consumers of financial products and services. The materials in the pack included: frequently asked questions on financial consumer protection; how to lodge complaints, and bank customers' bill of rights. Also, a secondary school series, "An Introduction to Basic Financial Education and Management for Upper and Lower Basic Education in Nigeria", was made available to students during the review period.

The Bank marked the World Savings Day on October 31, 2014, by sensitising the youth on the need to imbibe a savings culture, and inculcate desirable financial management habits. The sensitisation programme was carried out in fourteen (14) secondary schools across the six (6) geopolitical zones.

The Bank conducted mass awareness and consumer sensitisation campaigns in the six (6) geopolitical zones of the country. Consumers of financial products and services were educated on financial products and services, in furtherance of its financial inclusion policy, among others.

## 2.5 DEVELOPMENTAL FUNCTIONS OF THE CBN

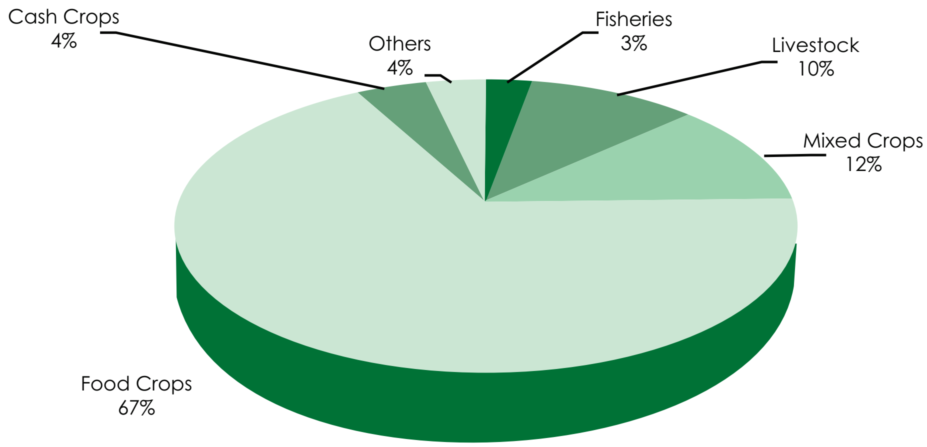
### 2.5.1 The Agricultural Credit Guarantee Scheme (ACGS)

The volume and value of loans guaranteed under the Agricultural Credit Guarantee Scheme (ACGS) stood at 72,322 and ₦12.99 billion, compared with 56,277 and ₦9.42 billion in 2013, indicating an increase of 28.5 and 38.0 per cent, respectively. Analysis of loans by institution-type indicated that microfinance banks accounted for 47,102 loans valued at ₦5.31 billion, while commercial banks accounted for 25,220 loans valued at ₦7.68 billion.

A breakdown of loans by state indicated that Delta State accounted for the highest with 11,136 loans (15.4 %), valued at ₦1.60 billion. This was followed by Kebbi State with 6,149 loans (8.5 %), valued at ₦919.20 million and Edo State with 5,052 loans (7.0 %), valued at ₦613.99 million.

A sub-sectoral analysis of the loans showed the continued dominance of food crops, with a share of 48,595 (67.2 %). This was followed by mixed farming with 8,437 (11.7 %); livestock, 7,479 (10.3 %); cash crops, 3,075 (4.3 %); fisheries, 2,050 (2.8 %); and 'others', 2,686 (3.7 %).

**Figure 2.15: Distribution of Number of Loans Guaranteed by Sub-sector under ACGS, 2014 (Per cent)**




Source: CBN

Analysis by size of loans in 2014 revealed that loans below ₦100,000.00 were 41,356 (57.2%), valued at ₦2.32 billion, and those above ₦100,000.00 accounted for the balance of 30,966 (42.8 %), valued at ₦10.67 billion. This indicated that small holder borrowers dominated activities under the Scheme. The cumulative number and value of loans guaranteed under the Scheme since its inception stood at 931,863 and ₦84.5 billion, respectively.

**TABLE 2.7: Distribution of Loans under the ACGS by Volume and Value, 2014**

| Category | Volume | Value in ₦ 'billion | Per cent |
|---|---|---|---|
| ₦100,000 and below | 41,356 | 2.32 | 57.2 |
| Above ₦100,000 | 30,966 | 10.67 | 42.8 |
| **TOTAL** | 72,322 | 12.99 | 100.0 |

Source: CBN

The volume of loans repaid in 2014 was 47,502, valued at ₦7.75 billion. This represented a decline of 4.1 and 10.7 per cent in number and value, respectively, compared with 49,510 loans, valued at ₦8.68 billion in 2013. Analysis of the repaid loans by state showed that Edo State came first in the review year with 5,089, valued at ₦460.29 million, followed by Jigawa and Kwara states with 3,860 and 3,273 valued at ₦243.42 million and ₦319.88 million, respectively. The cumulative volume and value of loans repaid from the inception of the Scheme to end-December 2014 stood at 697,548 and ₦56.47 billion, respectively.

A total of 1,029 claims valued at ₦148.40 million was settled in 2014. This brought the cumulative number and value of claims settled since the inception of the Scheme to 15,294, valued at ₦601.90 million, respectively.

### 2.5.2 The Interest Draw-back Programme (IDP)

A total of 31,818 IDP claims, valued at ₦362.99 million, was settled in 2014, compared with 44,280, valued at ₦469.10 million in 2013. This showed a decline of 28.1 and 22.6 per cent in number and value, respectively. Cumulatively, 256,312 claims, valued at ₦2.26 billion, had been settled since the inception of the Scheme in 2004.

### 2.5.3 The Trust Fund Model (TFM)

No memorandum of understanding was signed under the TFM in the review period. Total pledges and/or placements under the programme at end-December 2014 remained at 58, valued at ₦5.65 billion.

**Table 2.8: Funds Placement under the Trust Fund Model (TFM) at end-December, 2014**

| Type of Stakeholder | (₦'Billion) | Number | Remarks |
|---|---|---|---|
| **Multinationals/Oil Companies** | 0.444 | 4 | ₦5 million less due to suspension of MISCAD |
| **State Govts/Local Govt. Areas** | 2.572 | 37 | |
| **Federal Govt. Agencies** | 2.000 | 4 | |
| **Individuals/Organisations** | 0.634 | 13 | |
| **TOTAL** | **5.650** | **58** | **₦5 Million less due to suspension of MISCAD*** |

*Micro Credit Scheme for Agricultural Development

Source: CBN

### 2.5.4 Operations of the Agricultural Credit Support Scheme (ACSS)

The ACSS was established to finance large scale agricultural projects, with an interest rebate of 6.0 per cent, upon the timely repayment of the facility. At end-December 2014, one (1) rebate, valued at ₦33.13 million was paid. This brought the cumulative number and value of projects for which interest rebate had been paid from the inception of the Scheme in 2006 to 47 and ₦910.02 million, respectively.

Table 2.9: Performance of the Agricultural Credit Support Scheme (ACSS)

| Performance Parameter | Jan - December 2012 | | Jan - December 2013 | | Jan - December 2014 | | 2006 - December 2014 | |
|---|---|---|---|---|---|---|---|---|
| | No. | Value(₦) million | No. | Value(₦) million | No. | Value(₦) million | No. | Value(₦) million |
| Application received from banks | 4 | 1.130 | Nil | Nil | 1 | 77.311 | 203 | 40,122.8 |
| Approval by banks | 4 | 1.130 | Nil | Nil | 1 | 77.311 | 203 | 30,902.3 |
| Project submitted to CBN for verification | 4 | 1.130 | Nil | Nil | 1 | 77.311 | 112 | 23,597.3 |
| Project verified | 4 | 1.130 | Nil | Nil | 1 | 77.311 | 107 | 21,037.3 |
| Disbursement by banks | 4 | 1.130 | Nil | Nil | 1 | 77.311 | 107 | 20,541.3 |
| Approval for 6% interest rebate | 4 | 32,506.0 | Nil | Nil | 1 | 33.13 | 47 | 910.02 |

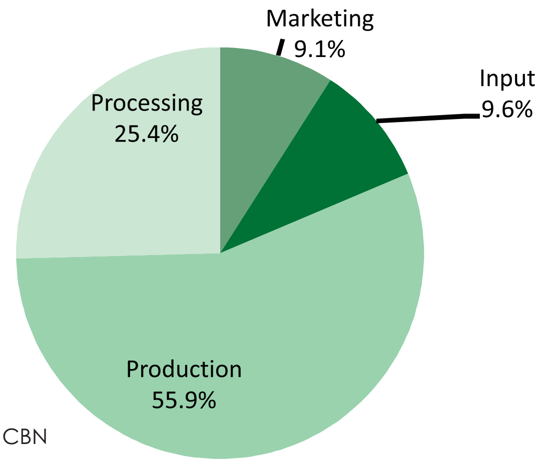
Source: CBN

### 2.5.5 The Commercial Agriculture Credit Scheme (CACS)

The sum of ₦36.92 billion was accessed by thirteen (13) DMBs for sixty-nine (69) private projects (51 new projects and 18 enhancements) in 2014. This represented an increase of 86.5 and 39.2 per cent in number and value of projects, respectively, compared with the levels in 2013. The cumulative amount disbursed under the Scheme at end-December 2014 stood at ₦263.03 billion for 346 projects (310 private projects and 36 projects from 30 state governments, including the FCT), with an undisbursed balance of ₦0.17 billion. The sum of ₦72.40 billion was repaid in respect of 185 projects, while penalties amounting to ₦525.31 million were collected for infractions in 2014. The new policy thrust would focus more on five (5) commodities, namely: rice, fish, sugar, wheat and cotton.

Analysis of disbursements by value-chain indicated that production had the highest share with thirty-seven (37) projects, valued at ₦20.67 billion (55.9%). This was followed by processing with twenty-two (22) projects, valued at ₦9.39 billion (25.4%), input and marketing with five (5) projects each valued at ₦3.53 billion (9.6%) and ₦3.33 billion (9.1%), respectively. The terminal date of the Scheme was extended from 2016 to 2025.

Figure 2.16: Analysis of Private Projects under the Commercial Agriculture Credit Scheme (CACS) at end-December 2014 (Per cent)




Source: CBN

The Scheme continued to generate employment as 29,046 jobs were created by both private and state government projects in 2014. Cumulatively, CACS-funded projects had generated 194,556 jobs (12,854 skilled, 13,127 unskilled and 168,575 indirect), since its inception in 2009. Also, the capacity utilisation of projects increased, ranging from 35.0 to 90.0 per cent, in activities such as poultry production, rice production and animal feed milling.

### 2.5.6 The SME Refinancing and Restructuring Fund (RRF)

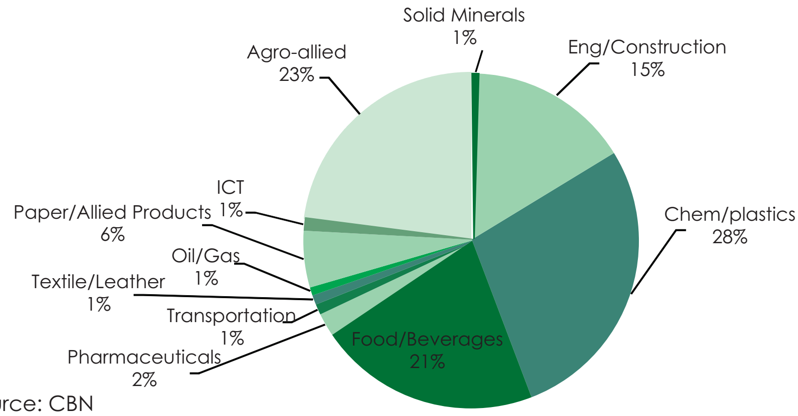
The sum of ₦74.23 billion was disbursed from the RRF for 13 projects (11 new and 2 existing) in 2014. The cumulative disbursement from the Fund since its inception to date amounted to ₦339.73 billion (₦235.00 billion from the main account and ₦104.73 billion from the repayment account) for 601 projects.

Analysis of disbursement by sector in 2014 showed that chemicals/plastics remained dominant with a share of 28.1 per cent, followed by agro-allied, 23.0 per cent; and food/beverages, 21.0 per cent. The sum of ₦104.73 billion was repaid in 2014.

The projects funded under the RRF in 2014 generated 16,845 direct jobs, an increase of 237.1 per cent over the 7,105 jobs created in 2013. Thus far, an estimated 1.2 million indirect jobs have been created under the Scheme.

The turnover on all the projects financed under the Scheme rose from an average of ₦621.27billion per annum pre-intervention to ₦783.58 billion post-intervention, representing an increase of 26.1 per cent, compared with the level in 2013. Of the 601 SME projects that accessed the fund, 227 obligors utilised it for the completion or resuscitation of their projects, while others used the fund as working capital and procurement of machinery. The Fund continued to assist beneficiary firms to access long-tenored loans at a concessionary interest rate and also enhanced the liquidity of the participating DMBs. The RRF has been discountinued. However, the repayment proceeds would be transferred to the new Real Sector Support Fund (RSSF).

**Figure 2.17: Sectoral Distribution of Loans under RRF, 2014 (Per cent)**




Source: CBN

### 2.5.7 The Real Sector Support Fund (RSSF)

The CBN, on November 26, 2014, approved the establishment of a ₦300.0 billion Real Sector Support Fund (RSSF) to reduce the short-term and high-interest financing gap for SME/Manufacturing and start-ups, as well as create jobs through the real sector of the Nigerian economy. The RSSF would be disbursed at a single digit interest rate of 9.0 per cent. Application of the ₦300.0 billion RSSF and the RRF repayment proceeds would be used to finance real sector projects (large and medium manufacturing and agricultural SMEs) for a maximum tenure of 15 years.

### 2.5.8 The Small and Medium Enterprises Credit Guarantee Scheme (SMECGS)

During the review period, sixteen (16) projects valued at ₦686.87 million were guaranteed under the SMECGS. Cumulatively, the number of projects guaranteed under the Scheme since its inception in April 2010 stood at eighty-one (81), valued at ₦3.77 billion. Analysis of projects guaranteed by sector showed that services accounted for sixty-two (62) or 76.5 per cent, followed by manufacturing with fifteen (15) or 18.5 per cent, agro-allied with three (3) or 3.7 per cent, health with one (1) project or 1.0 per cent and "Others" 1.3 per cent. The sum of ₦750.60 million was repaid in respect of eleven (11) projects in 2014, bringing the cumulative repayments to ₦2.30 billion for thirty-four (34) projects since inception.

### 2.5.9 The Micro, Small and Medium Enterprises Development Fund (MSMEDF)

The sum of N4.63 billion was approved and disbursed to eighteen (18) states/Participating Financial Institutions (5 state governments, 13 PFIs) under the MSMEDF commercial component during the year. The MSMEDF guidelines were reviewed to include DMBs as PFIs. Other amendments to the guidelines were the realignment of the ratio of Micro loans to SME loans from 80:20 to 50:50 and the setting aside of 2.0 per cent quota of lending resources to persons living with disabilities.

As part of efforts to enhance the uptake of the Fund, the Bank held several focal meetings with relevant stakeholders, where modalities for accessing the MSMED Fund were discussed. The Bank also collaborated with the Rural Finance Institutions (RUFIN) programme in building the capacity of PFIs in the RUFIN participating States.

### 2.5.10 The Power and Airline Intervention Fund (PAIF)

Under the Power and Airline Intervention Fund (PAIF), ₦3.70 billion was released to the BOI for disbursement to participating DMBs. Two (2) power projects and one (1) airline project received ₦3.19 billion and ₦0.51 billion, respectively. The cumulative amount released to the BOI since the inception of the Scheme in 2010 amounted to ₦236.36 billion for fifty-three (53) projects. This comprised thirty-eight (38) power projects, valued at ₦118.93 billion and fifteen (15) airline projects, valued at ₦117.43 billion. The sum of ₦28.79 billion was repaid at end-December 2014, a breakdown of which showed that ₦14.56 billion was repaid by nineteen (19) airline projects, and ₦14.23 billion by thirty-two (32) power projects. Cumulatively, from inception in 2010 to end-December 2014, a total of ₦41.39 billion has been repaid, made up of ₦23.96 billion by fifteen (15) airline and ₦17.43 billion by thirty-one (31) power projects, respectively.

The Fund relieved DMBs of the burden of non-performing loans resulting in significant improvement in their liquidity positions and enhanced the balance sheet of the benefiting companies. The concessionary interest rate of 7.0 per cent at which the facility was granted, coupled with the long tenor of 10-15 years, resulted in significant savings on interest expense of over ₦72.60 billion for the beneficiary firms and created a stabilising effect on the capital structure of the projects. Thirty-eight (38) of the power projects financed under the PAIF has a combined generating capacity of 860 MW. The Fund also financed the construction of a 120-kilometre natural gas pipeline from Ikpe Anang in Akwa Ibom state to Mfamosing near Calabar, Cross-River state.

**2.5.11 The Nigeria Electricity Market Stabilisation Facility (NEMSF)**

The Nigeria Electricity Market Stabilisation Facility (NEMSF) is a collaborative initiative of the Ministries of Petroleum Resources and Power, the Nigerian Electricity Regulatory Commission (NERC), and the Nigerian National Petroleum Corporation (NNPC). The ₦213.00 billion Fund, was aimed at settling certain outstanding debts in the Nigerian Electricity Supply Industry (NESI) and guaranteeing the take-off of the Transitional Electricity Market (TEM). The facility will cover legacy gas debt and the shortfall in revenue in the industry, address persistent liquidity challenges facing the power and gas sector, and fast-track the development of a viable and sustainable domestic energy market.

**2.5.12 Entrepreneurship Development Centres (EDCs)**

The Bank signed an MoU with two state governments, Kano and Oyo, for the management of the first generation EDCs in their respective domain, and with the Niger State Government for the outreach centre in Minna. As part of the agreement, an implementing agency was appointed for each EDC/Centre. Thus far, the other three (3) EDCs located in Calabar, Makurdi and Maiduguri had trained 6,361 young entrepreneurs, representing 106.0 per cent of the set target and created 6,442 new jobs as at end-December, 2014. Out of this, 2,373 graduates accessed loans valued at ₦250.0 million to start their own businesses. Cumulatively, the EDCs in 2014 trained 10,548 entrepreneurs, organised internship programmes for 7,923 participants, created 7,327 jobs, and facilitated the establishment of 4,959 new businesses. A total of ₦272.4 million had been accessed as loans by graduates from the inception of EDCs to date.

**2.5.13 The National Youth Service Corp (NYSC) Sensitisation**

Under the entrepreneurship development initiative of the Bank, 73,612 National Youth Service Corp members of the 2013/2014 batches A and C were sensitised on the development finance initiatives of the Bank at NYSC orientation camps nation-wide. This was to provide them with information on opportunities for self-employment after their service year.

### 2.5.14 The Nigeria Incentive-based Risk Sharing System for Agricultural Lending (NIRSAL)

In 2014, eighteen (18) credit risk guarantees (CRGs), valued at ₦6.41 billion, from ten (10) counter parties were approved. This brought the cumulative number of CRGs issued from its inception to sixty (60) projects, valued at ₦20.63 billion. Analysis of the CRGs by activity indicated that agro-processing projects were predominant with 42.6 per cent, followed by crop production with 41.7 per cent, and livestock production with 15.7 per cent. Also, ₦177.25 million was paid as interest drawback to ten (10) counterparties, thus bringing the cumulative IDB paid to ₦244.76 million since the System's inception in December 2013. NIRSAL, in collaboration with the Federal Ministry of Agriculture and Rural Development, guaranteed ₦14.45 billion to 74 agro-dealers under the Growth Enhancement Scheme (GES) in 2014. From its inception, 158 projects valued at ₦32.99 billion were guaranteed, while a total of ₦348.82 million were paid as interest drawback to borrowers.

On capacity building, 27,142 farmers were trained nation-wide. Out of this, 15,000 cocoa farmers were trained in 8 states (Ondo, Oyo, Kogi, Abia, Cross River, Edo, Ekiti and Osun) and 1,822 cotton farmers in Katsina and Zamfara states, while 500 rice farmers were trained in Niger State, among others.

### 2.5.15 The National Collateral Registry

During the year, the following were accomplished under the Secured Transaction and the National Collateral Registry (ST&NCR):

- Approval and execution of a cooperation agreement with the International Finance Corporation (IFC) by the CBN. The project was fully operational and expected to run for two (2) years;

- Approval of the Regulation on the National Collateral Registry by the Bank on September 17, 2014;

- Advertisement of an Expression of Interest by the International Finance Corporation/World Bank Group (WBG) for the development of the Collateral Registry IT Software during the period under review; and

- Transmission of the NCR Draft Bill to the IFC/WBG for review, before its presentation to the National Assembly.

### 2.5.16 The National Financial Inclusion Strategy

The implementation of the National Financial Inclusion Strategy that was launched on 23rd October, 2012 continued in 2014. The Strategy aimed to reduce the percentage of adult Nigerians excluded from financial services from 46.3 per cent in 2010 to 20.0 per cent by 2020. As part of the implementation process, the Financial Inclusion Secretariat held strategic meetings with key stakeholders such as the National Insurance Commission, the National Pension Commission, Securities and Exchange Commission, the Nigeria Deposit Insurance Corporation, the Federal Ministries of Finance and Communications Technology, the National Communications Commission, and deposit money banks. Also, state governments with high exclusion rates were engaged to elicit their support in the implementation of the Strategy and the efforts resulted in the opening of 1,474 new accounts by excluded individuals. The states visited and their respective exclusion rates were: Kano, (77%); Jigawa, (70%); Ogun, (49%); Osun, (30%); Cross River, (37%); Rivers (37%); and Ebonyi, (34%).

The engagements led to a positive response through practical initiatives by stakeholders, such as the National Pension Commission, resulting directly in the passage of the 2014 Pension Reform Act that included the informal/private sector in the Contributory Pension Scheme, as well as making it mandatory for state governments to do the same. The National Communication Commission (NCC) also initiated a regulatory framework aimed at fostering service availability and optimal experience, adherence to standards, clarity, simplicity and consistency in the operation and pricing of mobile payment services by mobile network operators. The Nigerian Deposit Insurance Corporation extended deposit insurance coverage to subscribers of mobile money to boost confidence and enhance usage by Nigerians. The Securities and Exchange Commission initiated a draft of the Capital Market Financial Inclusion Strategy bill and took steps to adopt the use of collective investment scheme and non-interest capital market products to encourage patronage by financially excluded populations. The agency has established a Financial Inclusion Division and launched a capital market master plan (2015-2025) to drive its financial inclusion objectives.

The National Identity Management Company also launched the National e-ID card in August 2014, which provides identification numbers to boost savings and payments, such as agro-subsidies, the welfare benefits of government and other stakeholders. The Federal Ministry of Communications Technology initiated a new bill to enable NIPOST provide financial services as agents of banks and promote investments in long distance fibre optic cables from which telecommunications and other stakeholders could draw transmission infrastructure and necessary connectivity for their operations.

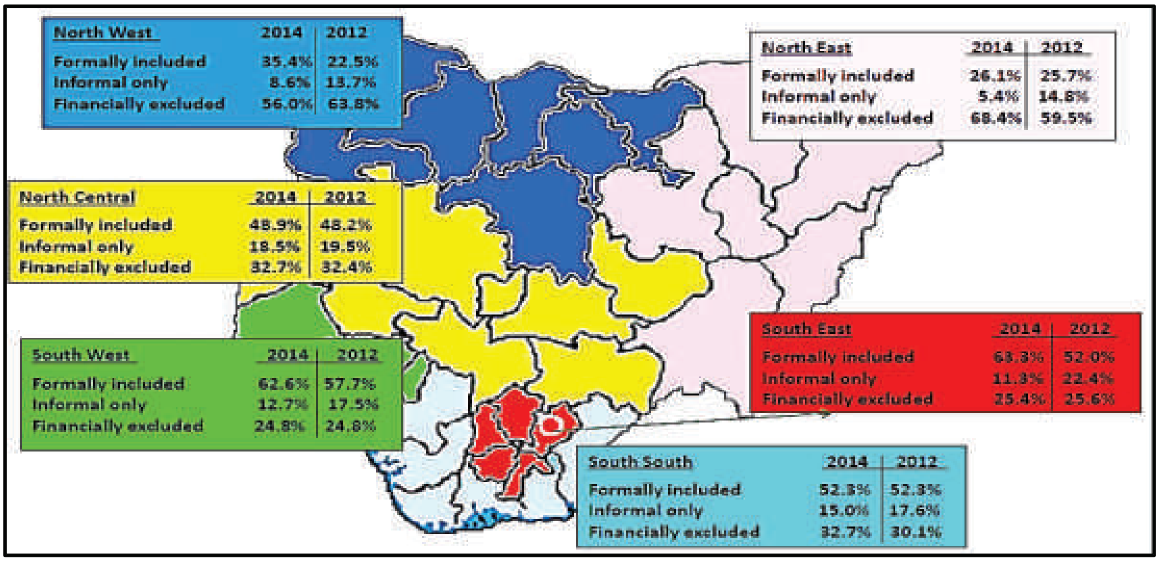
Deposit money banks implemented financial inclusion-related programmes in the following areas:

- Institutionalisation of financial inclusion as a corporate strategy;
- Roll out of specific products that support savings mobilisation from diverse clients;
- Implementation of tiered Know-Your-Customer framework and easy customer identification and account opening procedures;
- Target-setting for ATM and PoS growth;

- Financial literacy campaigns and public education on financial products;
- Establishment of customer help desks for the resolution of disputes and engendering confidence;
- Implementation of mobile money services in partnership with relevant parties;
- Adoption of agent banking and strategic steps for its roll-out; and
- Use of biometric solutions for customer identification.

Based on the outcome of the 2014 survey by the Enhancing Financial Innovation and Access (EFInA), the financial exclusion rate declined to 39.5 per cent, from 39.7 per cent in 2012. The sustained decline since 2010 at 46.3 per cent is indicative that the target of 20.0 per cent in 2020 was realisable. Some geopolitical zones recorded improvements in their financial inclusion levels between 2012 and 2014 as the map below shows.

**Figure 2.18: The EFInA Survey Details, 2012 and 2014**




Source: EFInA

Other details of the Survey revealed that:

- 42.7 per cent of the total female population was financially excluded, compared with 35.8 per cent for the male population;

- 47.8 per cent of the rural population was financially excluded, compared with 24.8 per cent for the urban population; and

- The North-west geo-political zone made the most remarkable progress with the financial exclusion rate dropping from 63.8 to 56.0 per cent between 2012 and 2014.

The specific achievements towards the set targets were as follows in 2014:

| Key Performance Indicators | Actual 2014 (%) | 2020 Target (%) |
|---|---|---|
| % adult using a payment product | 24.0 | 70.0 |
| % adult using a savings product | 32.0 | 60.0 |
| % adult using a credit product | 3.0 | 40.0 |
| % adult using an insurance product | 1.0 | 40.0 |
| % adult using a pension product | 5.0 | 40.0 |

Source: EFInA

| Key Performance Indicators | Actual 2014 | 2020 Target |
|---|---|---|
| No. of Bank branches per 100,000 adults | 5.9 | 7.6 |
| No. of ATMs per 100,000 adults | 15.2 | 203.6 |
| No. of PoS per 100,000 adults | 143.3 | 850.0 |
| No. of Agents per 100,000 adults | 80.7 | 62.0 |

Source: Industry Returns Collated by the CBN

Meanwhile, available information on the pilot implementation of the strategy in Borno state, which commenced in 2013 revealed that:

- Exclusion rate had dropped from 53.0 per cent in 2012 to 45.4 per cent in 2014;
- The state MFB had over 3,000 accounts, which disbursed over N8.00 million loans to beneficiaries in 2014; and
- The Centre had carried out financial education campaigns in all the 27 LGAs in the State since inception.

Other developments in 2014 included the conduct of the geospatial mapping of financial services access points in Nigeria, through a joint effort of the Bank and, the Bill and Melinda Gates Foundation. The exercise, which would be completed in April 2015, is being carried out by Brandworx Nigeria limited. It will show graphical representations and spatial dispersions of the financial services access points across Nigeria.

# CHAPTER THREE

# THE GLOBAL ECONOMY

Global output growth stabilised at 3.3 per cent in 2014, the same as in 2013, due to low oil prices, driven by higher supply arising from shale oil production in the US. Growth was, however, dampened by weak recovery in the euro area and recession in Japan. Inflation moderated in 2014, due, mainly, to the low average price of food and persisting output gaps in the advanced economies. The development was driven by low commodity prices, due to weak demand and sluggish economic recovery in most regions. Uncertainty in the international financial markets was heightened by the gradual normalisation of US monetary policy, appreciation of the dollar and low oil prices, which led to capital flow reversals from the emerging markets and developing economies with attendant pressure in the currency markets. In response, the central banks of most emerging market and frontier economies raised their policy rates to stem currency depreciation and restore market confidence.

## 3.1 OUTPUT GROWTH

The global economy grew by 3.3 per cent in 2014, the same as in 2013 and was projected to grow by 3.5 per cent in 2015 (WEO, 2015). Global growth received a boost from lower oil prices, driven, largely, by higher supply occasioned by increased shale oil production. The output growth was, however, dampened by weak recovery in the euro area and the recession in Japan, due to the negative effect of consumption tax. Overall, in the advanced economies, growth strengthened from 1.3 per cent in 2013 to 1.8 per cent as a result of the performances of the economies of the United States, the United Kingdom and Canada. Recovery in the United States was stronger than expected. However, the performance of other major economies, notably Japan, fell short of expectations.

Growth in the United States was 2.4 per cent, up from 2.2 per cent in 2013; bolstered by strong domestic demand supported by low oil prices, declining unemployment, moderate fiscal adjustment, and a largely accommodative monetary policy.

In the euro area, growth was 0.8 per cent in contrast to negative 0.5 per cent in 2013. The euro area was estimated to grow by 1.2 per cent in 2015. The modest growth recorded in the euro area was supported by low oil prices, continued monetary easing, a neutral fiscal policy stance, and the recent depreciation of the euro. However, the euro area continued to be plagued by the challenges of low demand, high levels of debt, and unemployment.

In Japan, overall growth dropped to 0.1 per cent, from 1.6 per cent in 2013, as the economy fell into a technical recession in the third quarter of 2014, mainly because private domestic demand was dampened by the increase in consumption tax in April 2014.

Growth in the emerging market and developing economies declined to 4.4 per cent from 4.7 per cent in 2013, due, mainly, to continuing slowdown in China, the weak performance in Russia and other commodity exporters. China grew by 7.4 per cent in 2014, down from 7.8 per cent in 2013, due, largely, to lower investment growth, slower credit growth and continued moderation in real estate activity. The slow growth in China had region-wide impact, partly explaining the reduction in growth in many of the emerging Asian countries. Russia's growth declined from 1.3 per cent in 2013 to 0.6 per cent, largely on account of declining oil prices stemming from the US-led NATO sanctions on Russia and persisting geo-political tensions over Ukraine, leading to the dramatic depreciation of the rubble. In many emerging market and developing economies, the impact of low oil prices was positive, but the persistence of low commodity prices since the second half of 2014 exerted a negative impact on the terms of trade and incomes which dampened growth. In Latin America and the Caribbean, as a group, growth dropped sharply to 1.2 per cent, from 2.8 per cent in 2013.

Growth in sub-Saharan Africa dropped to 4.8 per cent in 2014, from 5.2 per cent in 2013 and was projected to rise to 4.9 per cent in 2015. Low oil and commodity prices explained the weak growth in sub-Saharan Africa, leading to a more subdued outlook for Nigeria and South Africa. The South African economy was plagued by protracted strikes, declining business confidence, and deteriorating electricity supply. The Ebola disease outbreak in West Africa dampened the performance of some economies in the sub-region, especially Liberia, Guinea and Sierra-Leone.

**Table 3.1: Changes in World Output and Prices, 2010-2014 (per cent)**

| | Output | | | | | Consumer Prices | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Region/Country** | **2010** | **2011** | **2012** | **2013** | **2014** | **2010** | **2011** | **2012** | **2013** | **2014** |
| **World Output** | **5.2** | **3.8** | **3.1** | **3.3** | **3.3** | **2.4** | **3.4** | **4.2** | **3.9** | **3.8** |
| Advanced Economies | **3.2** | **1.6** | **1.4** | **1.3** | **1.8** | **0.7** | **1.1** | **2.7** | **1.4** | **1.6** |
| United states | **3.0** | **1.8** | **2.8** | **2.2** | **2.4** | **0.9** | **0.9** | **3.1** | **1.5** | **2.0** |
| Japan | 4.4 | -0.9 | 1.4 | 1.6 | 0.1 | -0.9 | -2.1 | -0.3 | 0.4 | 2.7 |
| Germany | 3.6 | 3.0 | 0.9 | 0.2 | 1.5 | 0.2 | 1.3 | 2.5 | 1.6 | 0.9 |
| France | 1.4 | 1.6 | 0.0 | 0.3 | 0.4 | 0.1 | 1.6 | 2.1 | 1.0 | 0.7 |
| Italy | 1.5 | 0.4 | -2.5 | -1.9 | -0.4 | 0.8 | 1.6 | 2.9 | 1.3 | 0.1 |
| United Kingdom | 2.1 | 0.9 | 0.3 | 1.7 | 2.6 | 2.1 | 3.1 | 4.5 | 2.6 | 1.6 |
| Euro Area | 1.9 | 1.6 | -0.7 | -0.5 | 0.8 | 0.3 | 1.6 | 2.7 | 1.3 | 0.5 |
| Other Advanced Economies | 5.8 | **3.3** | **1.9** | **2.2** | **2.8** | 0.8 | **2.7** | **3.1** | **1.5** | **1.6** |
| Commonwealth of Independent States (CIS) | 4.6 | 4.5 | 3.4 | 2.2 | 0.9 | 11.2 | 7.2 | 10.1 | 6.4 | 7.9 |
| **Regional Groups** | | | | | | | | | | |
| Central and Eastern Europe | 4.5 | 5.1 | 1.4 | | | 4.7 | 5.2 | 5.2 | 4.2 | 4.0 |
| Russia | 4.0 | 4.1 | 3.4 | 1.3 | 0.6 | 11.7 | 6.6 | 8.4 | 6.8 | 7.4 |
| Latin America and the Caribbean | 6.1 | 3.0 | 3.0 | 2.8 | 1.2 | 3.6 | 6.4 | 6.6 | 7.1 | n/a |
| Asia | 9.5 | 7.9 | 5.1 | | | 3.1 | 6.1 | 5.0 | 3.8 | 3.7 |
| Sub-Saharan Africa | 6.9 | 5.1 | 4.4 | 5.1 | 5.1 | 8.3 | 9.5 | 9.3 | 6.6 | 6.7 |
| Middle East | 4.3 | 3.1 | 4.1 | 2.2 | 2.8 | 6.7 | 6.8 | 9.7 | 9.2 | 7.5 |
| China | 10.4 | 9.2 | 7.7 | 7.8 | 7.4 | -0.7 | 3.5 | 5.4 | 2.6 | 2.3 |

Source: WEO, October 2014, and January 2015

## 3.2 GLOBAL INFLATION

In the advanced economies, inflation remained low, indicating persisting output gaps and concerns about deflation. Inflation in the advanced economies was projected at 1.6 per cent, up from 1.4 per cent in 2013, while in the emerging market and developing countries, inflation was estimated at 5.5 per cent, down from 5.9 per cent in 2013.

In the United States, inflation rose from 1.5 to 2.0 per cent in 2014. Inflation in the euro area fell to 0.5, from 1.3 per cent in 2013, driven by falling energy prices, persistent slack in economic activity, and a decline in inflation expectations.

In Asia, the inflation rate stabilised at 3.7 per cent with some variations across the region. Consumer prices in Japan rose to 2.7 from 0.4 per cent in 2013 due to rising underlying inflation and inflation expectations, compounded by the effect of the consumption tax increase in April 2014. China's annual consumer inflation rate declined to 2.3 from 2.6 per cent in 2013.

Brazil's annual inflation rate marginally edged up to 6.3 per cent, from 6.2 per cent in 2013, reflecting inflation persistence and cost pressures from binding supply constraints and administered prices. In Venezuela, severe policy distortions fuelled a sharp rise in inflation rate to 63.4 per cent, from 40.6 per cent in 2013, thereby dampening investment and economic activity.

Russia's inflation rate increased to 7.4 per cent, from 6.8 per cent in 2013, due to the depreciation of the ruble, following a drop in oil prices, capital outflows and weak economic activities.

Consumer prices in the Middle East and the North Africa (MENA) region declined to 7.5 per cent, from 9.2 per cent in 2013, due to softening global food prices and the largely pegged exchange rates.

Inflation rate in sub-Saharan Africa (SSA) stabilised at 6.7 per cent, from 6.6 per cent in 2013, due, largely, to moderate price pressures from the region's middle-income countries such as South Africa, Ghana, Cote d'Ivoire and Cameroun.

### 3.3 GLOBAL COMMODITY DEMAND AND PRICES

Commodity prices generally declined in 2014, due to the effect of weak demand arising from sluggish recovery in most regions. The Energy Price Index declined to 187.4, from 190.9 points in 2013, due to supply/demand imbalances in the oil market.

The Food and Agriculture Organization (FAO) Food Price Index (FPI) averaged 202 points, down by 3.7 per cent from the level in 2013, with the sharpest year-on-year decline recorded by cereals (12.5%), followed by dairy products (7.7%), oils (6.2%), and sugar (3.8%). Only the FAO Meat Price Index recorded an increase of 8.1 per cent, compared with the level in 2013.

The FAO Cereal Price Index declined by 12.5 per cent to 192 points from the level in 2013, as international prices of all cereals fell, driven by record production and large inventories. Market concerns about the possible introduction of restrictive export measures by the Russian Federation initially pushed up wheat prices. However, a general strengthening of the US dollar and weak trade activity lowered prices.

The FAO Vegetable Oil Price Index averaged 181 points, down by 6.0 per cent from the 2013 level. The drop in the index reflected mainly developments in the palm oil market, as the recent slump in crude oil prices depressed demand for palm oil as a biodiesel feedstock, causing international palm oil value to weaken.

Also, the FAO Dairy Price Index declined by 7.7 per cent to 224.2 points from the level in 2013. The fall stemmed from increased export availability and a reduction in the pace of purchases by some of the leading importers, especially China and Russia. The FAO Sugar Price index averaged 241.2 points, representing a decline of 3.9 per cent from 251.0 points in 2013. Ample supplies in major sugar producing countries, including Brazil, the world's largest producer, and falling crude oil prices, which reduced the volume of sugar crops converted into ethanol, weighed on international sugar quotations.

### 3.4 WORLD TRADE

World trade recorded a growth of 3.8 per cent in 2014, up from 3.0 per cent in 2013, which, however, remained below the 20-year average of 5.3 per cent. In the advanced economies, aggregate imports grew by 3.7 per cent, while exports grew by 3.6 per cent. The terms of trade in the advanced economies, thus, declined from 0.88 per cent in 2013 to 0.24 per cent in 2014. In the emerging market and developing countries, the volume of imports grew by 4.4 per cent, and exports grew by 3.9 per cent. Consequently, the terms of trade improved from negative 0.19 per cent in 2013 to 0.02 per cent.

**Table 3.2: World Trade Volumes, 2010 - 2014**

**(Average Annual Percentage Change in Trade in Goods and Services)**

| | Advanced | | | | | Emerging and Developing | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Volume of Trade | 2010 | 2011 | 2012 | 2013 | 2014 | 2010 | 2011 | 2012 | 2013 | 2014 |
| Exports | 12.2 | 6.2 | 2 | 2.4 | 3.6 | 13.5 | 7.2 | 4.6 | 4.3 | 3.9 |
| Imports | 11.7 | 5.2 | 1.7 | 1.4 | 3.7 | 14.3 | 9.7 | 6 | 5.3 | 4.4 |
| Terms of Trade | -0.9 | -1.8 | -0.4 | 0.88 | 0.24 | 2.4 | 3.7 | 0.7 | -0.19 | 0.02 |

Source: World Economic Outlook, October, 2014 and January, 2015 updates

### 3.5 INTERNATIONAL FINANCIAL MARKETS

Developments in the global financial markets in 2014 were influenced by the gradual normalisation of the US monetary policy and the associated capital reversals from the emerging and developing economies, leading to pressure in the currency markets. The positive growth sentiments in the US, which was later supported by the drop in oil prices, provided a boost to activity in the stock markets.

#### 3.5.1 Money Markets

The conclusion of the asset purchase programme and improving macroeconomic conditions in the US created adverse consequences for emerging market and frontier economies. Indeed, growth moderated in most industrial economies due to weak demand and was further dampened by the strengthening of the U.S dollar, increased volatility of capital flows, and financial market vulnerabilities that resulted from currency depreciation. All of these were compounded by increased geo-political risks arising from the Ukrainian stand-off, terrorism, insurgency and the aftermath of the Ebola disease epidemic in some countries in the West African sub-region. Furthermore, the divergence between the US and euro area in monetary policy, non-inclusive growth and the regional impact of falling oil prices with acute revenue shortages in countries such as Nigeria, Venezuela and Russia, added to the risk factors.

The outlook for monetary policy suggests continued divergence amongst the various economic blocs. The euro area and Japan were expected to sustain an accommodative monetary policy stance, while the U.S authorities appear to be leaning towards monetary tightening. Overall, monetary policy was expected to remain restrictive amongst developing and emerging market economies to stabilise the local currency, and rein-in potential inflation pressures.

### 3.5.2 Capital Markets

Globally, the performance of stock markets was mixed in 2014. Stock movements in the North America, Africa and Asia were largely bullish, while markets in Europe and South America were mostly bearish. The major impetus for global stock market growth in 2014 came from the recovery in the U.S and later in the year, by the drop in oil prices. The weakness in Europe and the much slower pace of expansion in the emerging market economies in particular, also impacted negatively on the market. These were, however, compounded by increased geo-political risks arising from the Ukrainian crisis, the negative impact of commodity price shocks on commodity exporting countries, weak demand and asset purchase tapering and eventual exit of the US Federal Reserve Bank from quantitative easing, which triggered sharp corrections in the financial markets. This prompted the European Central Bank to continue its asset purchase programme on a larger scale to boost the Euro Zone economy. The US equities market had for the most part been on a positive path as investor sentiments focused on sustained recovery, following the crash in crude oil prices.

Following several interventions in the market, the performance of international stock markets became bullish, with global indices recording increases. In North America, the S&P 500, the Canadian S&P/TSX Composite and the Mexican Bolsa indices increased by 11.4, 7.4 and 1.0 per cent, respectively. In South America, the Argentine Merval increased by 83.1 per cent, while the Brazilian Bovespa and the Columbian COLCAP indices decreased by 2.9 and 5.8 per cent, respectively. In Europe, Germany's DAX index increased by 2.7 per cent, while the FTSE 100, the CAC 40, and the MICEX indices decreased by 2.7, 0.5 and 7.1 per cent, respectively. In Asia, Japan's Nikkei 225, China's Shanghai Stock Exchange-A and India's BSE Sensex indices increased by 7.1, 53.1 and 29.9 per cent, respectively. In Africa, the South African JSE All-Share, the Kenyan Nairobi NSE 20, the Egyptian EGX CASE 30 and the Ghanaian GSE All-Share indices increased by 7.6, 3.8, 31.6 and 5.4 per cent, respectively, while the Nigerian NSE ASI decreased by 16.1 per cent. In Nigeria, the equities market was weighed down by a number of factors, including an increase in capital outflow, a substantial drop in international crude oil prices in the last quarter of the year, and uncertainty arising from the forthcoming 2015 general elections.

**Table 3.3: Selected International Stock Market Indices as at December 31, 2014**

| Country | Index | 31-Dec-13 | 31-Mar-14 | 30-Jun-14 | 30-Sep-14 | 31-Dec-14 | % Change b/w (a) and (e) |
|---|---|---|---|---|---|---|---|
| **AFRICA** | | (a) | (b) | (c) | (d) | (e) | **(f)** |
| Nigeria | NSE All-Share Index | 41,329.10 | 38,748.01 | 42,482.48 | 41,210.10 | 34,657.15 | -16.1 |
| South Africa | JSE All-Share Index | 46,256.23 | 47,770.92 | 50,945.26 | 49,336.31 | 49,770.60 | 7.6 |
| Kenya | Nairobi NSE 20 Share index | 4,926.97 | 4,945.78 | 4,885.04 | 5,255.62 | 5,112.65 | 3.8 |
| Egypt | EGX CASE 30 | 6,782.84 | 7,805.03 | 8,162.20 | 9,811.40 | 8,926.58 | 31.6 |
| Ghana | GSE All-Share Index | 2,145.20 | 2,387.30 | 2,373.38 | 2,239.68 | 2,261.02 | 5.4 |
| **NORTH AMERICA** | | | | | | | |
| US | S&P 500 | 1,848.36 | 1,872.34 | 1,960.23 | 1,972.29 | 2,058.90 | 11.4 |
| Canada | S&P/TSX Composite | 13,621.55 | 14,335.31 | 15,146.01 | 14,960.51 | 14,632.44 | 7.4 |
| Mexico | Bolsa | 42,727.09 | 40,461.80 | 42,737.17 | 44,985.66 | 43,145.66 | 1.0 |
| **SOUTH AMERICA** | | | | | | | |
| Brazil | Bovespa Stock | 51,507.16 | 50,414.92 | 53,168.22 | 54,115.98 | 50,007.41 | -2.9 |
| Argentina | Merval | 4,275.98 | 5,134.74 | 6,537.61 | 10,685.69 | 7,830.30 | 83.1 |
| Columbia | COLCAP | 1,606.33 | 13,827.01 | NA | 1,665.70 | 1,512.98 | -5.8 |
| **EUROPE** | | | | | | | |
| UK | FTSE 100 | 6,749.09 | 6,598.37 | 6,743.94 | 6,622.72 | 6,566.09 | -2.7 |
| France | CAC 40 | 4,295.95 | 4,391.50 | 4,422.84 | 4,416.24 | 4,272.75 | -0.5 |
| Germany | DAX | 9,552.16 | 9,555.91 | 9,833.07 | 9,474.30 | 9,805.55 | 2.7 |
| Russia | MICEX | 1,503.39 | 1,369.29 | 1,476.38 | 1,411.07 | 1,396.61 | -7.1 |
| **ASIA** | | | | | | | |
| Japan | NIKKEI 225 | 16,291.13 | 14,827.83 | 15,162.10 | 16,173.52 | 17,450.77 | 7.1 |
| China | Shanghai SE A | 2,214.49 | 2,128.78 | 2,144.74 | 2,474.59 | 3,389.39 | 53.1 |
| India | BSE Sensex | 21,170.68 | 22,386.27 | 25,413.78 | 26,630.51 | 27,499.42 | 29.9 |

Source: Bloomberg

### 3.5.3 The International Foreign Exchange Market

In 2014, almost all the currencies monitored depreciated against the U.S. dollar, apparently due to slow recovery in high-income economies, especially the Euro Zone and the ending of the U.S. tapering in the review period. The already moderating growth in the industrialised economies weakened due to the strengthening U.S. dollar, more volatile capital flows and financial system vulnerabilities, arising from currency depreciations. Uncertainties in commodity prices pervaded the Latin American and African markets. In addition, uncertainty in the West African sub-region was heightened by insurgency and the Ebola pandemic. In Asia, divergence of the monetary policy stance between China and Japan worsened the fragility of financial markets and currency risks.

Following these developments, the Nigerian naira, the South African rand, the Kenyan shilling, the Egyptian pound and the Ghanaian cedi, depreciated against the US dollar by 7.31, 9.08, 4.75, 2.80 and 26.09 per cent, respectively. Similarly, the Canadian dollar and the Mexican peso depreciated against the US dollar by 8.62 and 11.19 per cent, respectively. In the same vein, the Brazilian real, the Argentine peso, and the Colombian peso depreciated against the US dollar by 11.28, 23.02, and 18.81 per cent, respectively.

The British pound, the euro and Russian rubble also depreciated against the US dollar by 6.25, 12.05 and 45.88 per cent, respectively. The Japanese yen, the Chinese yuan and the Indian rupee also depreciated against the US dollar by 12.12, 2.58 and 1.97 per cent, respectively. Among the currencies surveyed, the Russian ruble was the most depreciated due to the US-led NATO sanctions.

**Table 3.4 Exchange Rates of Selected Countries (Value in currency units to US$)**

| | Currency | 28-Dec-12 | 31-Dec-13 | 31-Dec-14 | % Change (28Dec12/31 Dec13) | % Change (31Dec13/31Dec 14) |
|---|---|---|---|---|---|---|
| **AFRICA** | | | | | | |
| | Nigeria Naira | 157.33 | 157.27 | 169.68 | 0.04 | -7.31 |
| | South Africa Rand | 8.48 | 10.52 | 11.57 | -19.39 | -9.08 |
| | Kenya Shilling | 86.05 | 86.30 | 90.60 | -0.29 | -4.75 |
| | Egypt Pound | 6.19 | 6.95 | 7.15 | -10.94 | -2.80 |
| | Ghana Cedi | 1.91 | 2.38 | 3.22 | -19.75 | -26.09 |
| **NORTH AMERICA** | | | | | | |
| | Canada Dollar | 1 | 1.06 | 1.16 | -5.66 | -8.62 |
| | Mexico Peso | 13.02 | 13.10 | 14.75 | -0.61 | -11.19 |
| **SOUTH AMERICA** | | | | | | |
| | Brazil Real | 2.05 | 2.36 | 2.66 | -13.14 | -11.28 |
| | Argentina Peso | 4.91 | 6.52 | 8.47 | -24.69 | -23.02 |
| | Colombia Peso | 1760.75 | 1929.51 | 2376.51 | -8.75 | -18.81 |
| **EUROPE** | | | | | | |
| | UK Pound | 0.62 | 0.60 | 0.64 | 3.33 | -6.25 |
| | Euro Area Euro | 0.76 | 0.73 | 0.83 | 4.11 | -12.05 |
| | Russia Ruble | 30.35 | 32.87 | 60.74 | -7.67 | -45.88 |
| **ASIA** | | | | | | |
| | Japan Yen | 85.96 | 105.26 | 119.78 | -18.34 | -12.12 |
| | China Yuan | 6.23 | 6.05 | 6.21 | 2.98 | -2.58 |
| | India Rupee | 54.78 | 61.80 | 63.04 | -11.36 | -1.97 |

Source: Bloomberg
MTM – Month-to-Month
YTD = Year to Date

### 3.5.4 Central Bank Policy Rates

Monetary policy remained accommodating in most advanced economies in 2014, due to growth concerns. The Federal Reserve Bank and the Bank of England maintained interest rates at 0.25 and 0.50 per cent, respectively, throughout the year.

The European Central Bank cut its policy rate from 0.25 to 0.15 per cent in June and further to 0.05 per cent in September. Also, the Bank of China cut its rate from 6.0 per cent to 5.6

per cent in the fourth quarter of 2014, while the Bank of Japan maintained its rate at 0.1 per cent throughout 2014.

In contrast, most emerging market economies increased their interest rates during the year to stem capital outflows, due to the gradual normalisation of the US monetary policy through the tapering of quantitative easing, as well as stem pressure on the exchange rate from the impact of declining commodity prices. India increased its rate from 7.75 per cent to 8.0 per cent in February and maintained it throughout the year. The Central Bank of Brazil also raised its policy rate from 10.5 per cent in January to 10.75, 11.0 and 11.25 per cent in February, June and November, respectively. The South African Reserve Bank raised its policy rate to 5.75 in November from 5.5 in the preceding month. In Ghana, the policy rate was raised to 18.0, 19.0 and 21.0 per cent in February, July and November 2014, respectively, to address inflationary concerns and pressure on the exchange rate. The Central Bank of Nigeria increased its policy rate from 12.0 to 13.0 per cent in November to address mounting pressure on the exchange rate and excess liquidity in the banking system.

**Table 3.5: Monetary Policy Rates of Selected Countries, 2013-2014 (per cent)**

| | Ghana | S. Africa | Kenya | Nigeria | Brazil | Chile | USA | Japan | Euro Area | India | Russia | China | UK | Indonesia |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Dec-13 | 16 | 5.00 | 8.50 | 12.00 | 10 | 4.25 | 0.0-0.25 | 0.0 - 0.1 | 0.25 | 7.75 | 8.25 | 6.00 | 0.50 | 7.5 |
| 2014 | | | | | | | | | | | | | | |
| January | 16.00 | 5.00 | 8.50 | 12.00 | 10.50 | 4.25 | 0.0-0.25 | 0.0 - 0.1 | 0.25 | 7.75 | 8.25 | 6.00 | 0.50 | 7.5 |
| February | 18.00 | 5.50 | 8.50 | 12.00 | 10.75 | 4.25 | 0.0-0.25 | 0.0 - 0.1 | 0.25 | 8.00 | 8.25 | 6.00 | 0.50 | 7.5 |
| March | 18.00 | 5.50 | 8.50 | 12.00 | 10.75 | 4.00 | 0.0-0.25 | 0.0 - 0.1 | 0.25 | 8.00 | 8.25 | 6.00 | 0.50 | 7.5 |
| April | 18.00 | 5.50 | 8.50 | 12.00 | 10.75 | 4.00 | 0.0-0.25 | 0.0 - 0.1 | 0.25 | 8.00 | 8.25 | 6.00 | 0.50 | 7.5 |
| May | 18.00 | 5.50 | 8.50 | 12.00 | 10.75 | 4.00 | 0.0-0.25 | 0.0 - 0.1 | 0.25 | 8.00 | 8.25 | 6.00 | 0.50 | 7.5 |
| June | 18.00 | 5.50 | 8.50 | 12.00 | 11.00 | 4.00 | 0.0-0.25 | 0.0 - 0.1 | 0.15 | 8.00 | 8.25 | 6.00 | 0.50 | 7.5 |
| July | 19.00 | 5.50 | 8.50 | 12.00 | 11.00 | 3.75 | 0.0-0.25 | 0.0 - 0.1 | 0.15 | 8.00 | 8.25 | 6.00 | 0.50 | 7.5 |
| August | 19.00 | 5.50 | 8.50 | 12.00 | 11.00 | 3.50 | 0.0-0.25 | 0.0 - 0.1 | 0.15 | 8.00 | 8.25 | 6.00 | 0.50 | 7.5 |
| September | 19.00 | 5.50 | 8.50 | 12.00 | 11.00 | 3.25 | 0.0-0.25 | 0.0 - 0.1 | 0.05 | 8.00 | 8.25 | 6.00 | 0.50 | 7.5 |
| October | 19.00 | 5.50 | 8.50 | 12.00 | 11.00 | 3.00 | 0.0-0.25 | 0.0 - 0.1 | 0.05 | 8.00 | 8.25 | 6.00 | 0.50 | 7.5 |
| November | 21.00 | 5.75 | 8.50 | 13.00 | 11.25 | 3.00 | 0.0-0.25 | 0.0 - 0.1 | 0.05 | 8.00 | 8.25 | 5.60 | 0.50 | 7.75 |
| December | 21.00 | 5.75 | 8.50 | 13.00 | 11.25 | 3.00 | 0.0-0.25 | 0.0 - 0.1 | 0.05 | 8.00 | 8.25 | 5.60 | 0.50 | 7.75 |

Source: Bloomberg

### 3.6 THE IMPACT OF GLOBAL ECONOMIC DEVELOPMENTS ON NIGERIA'S ECONOMY

The period under review witnessed a number of global developments with significant consequences for Nigeria's economy. Key developments of interest included: stronger growth in the United States; sluggish recovery in the other advanced economies, particularly Europe, and recession in Japan; continuing slowdown in China; growth moderation and capital flow reversals in emerging markets; normalisation of the US monetary policy, and continued quantitative easing measures in advanced economies; low global inflation; and falling commodity prices. Some of these developments had adverse impact, while others had favourable effects on the country's macro-economic performance.

Falling global consumer prices had a positive effect on consumer prices in Nigeria, particularly for products with significant import content. Inflation remained in single digit in 2014, supported by tight monetary policy, which helped to stabilise currency and inflation expectations. The devaluation of the naira in November with the lowering of the midpoint of the official exchange rate to ₦168/US$1, from ₦155/US$1, was a major risk to inflation in the period.

Domestic output remained robust, rising to 6.2 per cent from 5.5 per cent in 2013, despite the adverse international developments. The decline in crude oil price in 2014, which lowered government oil revenue, resulted in increased borrowing to cover fiscal deficits. Shale oil production increased the United States' energy independence and reduced her import of Nigeria's crude oil.

Domestic financial markets, although resilient, reacted to developments in the international economic environment. Capital inflows weakened as yields and interest rates in the advanced economies started recovering, following the normalisation of US monetary policy. Increased outflow intensified pressure in the foreign exchange market and on the country's external reserves towards the end of the year. The effect of the development was also visible in the domestic stock market as the Nigeria All-Share Index (ASI) declined by 16.1 per cent to 34,657.15, from 41,329.10 at end-December 2013. Similarly, the equities market capitalisation (MC) fell by 13.1 per cent, from ₦13.23 trillion on December 31, 2013 to ₦11.49 trillion.

# CHAPTER FOUR

## FINANCIAL SECTOR DEVELOPMENTS

*The financial sector remained sound, stable and resilient in 2014, attributable to the various measures taken by the Bank to enhance stability in the system. The restrictive monetary policy stance of the Bank, which started in October 2011, was sustained in 2014. The policy rate was reviewed upwards to 13.0, from 12.0 per cent, and the CRR for both private and public sector deposits to 20.0 and 75.0 per cent, from 12.0 and 50.0 per cent, respectively, while the liquidity ratio was maintained at 30.0 per cent throughout the year.*

*Growth in broad money (M2), at 20.6 per cent, exceeded the 1.3 per cent recorded at the end of the preceding year and the benchmark of 14.5 per cent for fiscal 2014. Growth in aggregate domestic credit stood at 32.6 per cent, compared with 14.5 and 28.5 per cent achieved at end-December 2013 and the benchmark for fiscal 2014, respectively. Reserve money, at ₦5,930.95 billion grew by 16.5 per cent, but was 9.4 per cent lower than the programmed benchmark of ₦6,486.20 billion and the 37.4 per cent growth attained at the end of 2013.*

*Indicators of financial developments produced mixed results in 2014. The intermediation efficiency measured by the ratio of currency outside banks to M2 improved to 7.6 per cent from 9.2 per cent in the preceding year. The ratio of broad money supply to nominal GDP, at 21.0 per cent, was slightly higher than the outcome at end 2013 by 1.7 percentage points, while the financing capacity of the banking system, measured by the ratio of claims on the private sector to gross domestic product (CPS/GDP), stood at 20.1 per cent, compared with 20.0 per cent in the preceding year.*

*Total money market assets outstanding grew by 12.4 per cent, due to the increase in Nigerian Treasury Bills, bankers' acceptances, commercial paper and FGN Bonds. The yield on fixed income securities were higher in 2014, reflecting, largely, the tight monetary policy stance of the Bank and excess liquidity, which slowed trading activities in the market. Most money market rates were relatively stable in the first ten months of the year, but rose towards the end of the year in response to the increase in the benchmark interest rate by 100 basis points to 13.0 per cent. Activities on the Nigerian Stock Exchange were bearish, as major indicators trended downwards.*

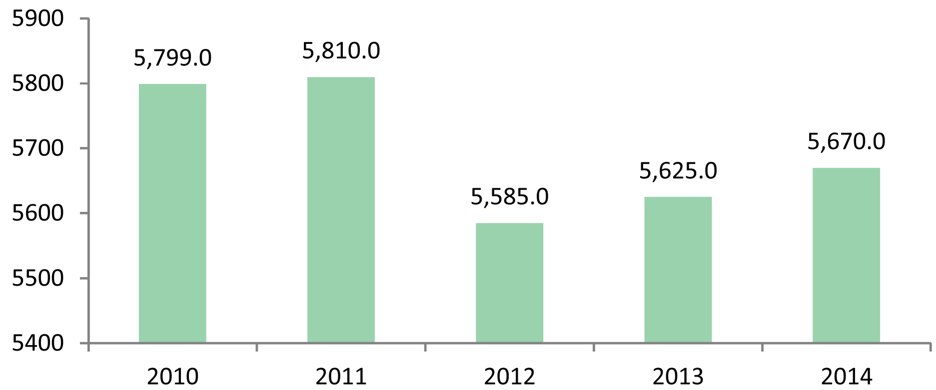
## 4.1 INSTITUTIONAL DEVELOPMENTS

### 4.1.1 Growth and Structural Changes

The structure of the Nigerian financial sector remained unchanged in 2014. The number of licensed banks in the industry stood at twenty-four (24). The number of bank branches, however, increased marginally to 5,670 from 5,625 in 2013. The number of foreign subsidiaries of Nigerian banks reduced from 62 to 61 at end-December 2014. The development was attributed to the takeover of Keystone Bank, the Gambia, by the Bank of The Gambia due to the inability of the subsidiary to meet the country's minimum capital requirement. Also, the number of representative offices of Nigerian banks abroad reduced to seven (7) from eight (8) in the preceding year, following the closure of FCMB's representative office in South Africa, due to dwindling business opportunities. In addition, one (1) application for a Holding Company (HoldCo) licence was granted.

*The number of foreign subsidiaries of Nigerian banks reduced from 62 to 61 at end-December 2014.*

**Figure 4.1: Banks' Branch Network, 2010 - 2014**




Source: CBN

Of the three (3) discount houses in operation, Associated Discount House Ltd, pursuant to its effort to convert to a merchant bank, raised additional capital of ₦5.48 billion through private placements during the review year and was granted an approval-in-principle (AIP) status. The CBN, however, directed that the two banks with shareholding in the discount house divest from the institution before it could be allowed to transmute into a merchant bank. Kakawa Discount House was fully acquired (100%) by FBN Holding and obtained Approval-in-principle (AIP) to convert to a merchant bank. Consolidated Discounts Limited (CDL) came under the management of an AMCON-appointed administrator and 98.5 per cent of its validated liabilities were paid. The Administrator, in conjunction with AMCON/CBN, intensified efforts to recapitalise the discount house with the intent of transforming it into a merchant bank. A CBN-appointed liquidator, therefore, commenced the winding up process of Express Discount House Limited (in-liquidation). The payment of verified non-bank creditors and third-party treasury bill holders had been completed to the tune of 94.2 and 99.8 per cent, respectively.

To stimulate the participation of the private sector in the promotion and operation of Development Finance Institutions (DFIs) in Nigeria, the Bank, in collaboration with the World Bank and the Federal Ministry of Finance, issued guidelines for the operations of Wholesale and Retail Development Finance Institutions. The approved guidelines provided for the licensing, regulation, supervision and operation of both wholesale and retail DFIs under the regulatory and supervisory purview of the Bank. Consequently, the Federal Government established the Development Bank of Nigeria (DBN) during the review period. The DBN, a wholesale development finance institution with an authorised share capital of ₦100 billion, received an Approval-in-Principle from the CBN and was envisioned to complement existing DFIs towards real sector development.

Furthermore, sixty-four (64) new microfinance banks were issued licences to commence operation, bringing the number of licensed MFBs to 884, compared with 820 at end-December 2013. During the period, some MFBs upgraded from Unit to state status or from state to National MFBs. The subsisting MFBs comprised five (5) National, eighty-nine (89) State and seven hundred and ninety (790) Unit MFBs. The implementation of the international financial reporting standards (IFRS) in the preparation of financial statements of MFBs, commenced in 2014.

The Bank also reviewed the share capital and mandatory caution deposit of BDCs from ₦10.0 million and US$20,000 to ₦35.0 million apiece. Similarly, the capital requirements of finance companies were reviewed from ₦20.0 million to ₦100.0 million.

The number of PMBs increased to forty-two (42), from forty (40) in the preceding year. The PMBs at end-December 2014 comprised ten (10) National and thirty-two (32) State institutions. Twenty-one (21) PMBs, which failed to either re-capitalise or down-scale to the category of “other financial institutions” had their licences withdrawn and were handed over to the Nigeria Deposit Insurance Corporation (NDIC) for liquidation. Furthermore, the Nigeria Mortgage Re-finance Company Plc (NMRC) made a formal request to the CBN to be granted a final licence, after having obtained approval-in-principle in June 2013.

Three (3) finance companies (FCs) were licensed during the year. Thus, the number of licensed FCs increased from sixty-one (61) at end-December 2013 to sixty-four (64). During the period, the Bank approved the appointment of a liquidator for five (5) FCs out of the erstwhile forty (40) FCs whose licences had been revoked. Furthermore, the CBN approved the revised guidelines for Finance Companies and the deadline for the transition period to implement the guidelines was fixed for September 30, 2015.

At the expiration of the deadline of July 31, 2014 for the re-capitalisation of BDCs, 2,523 out of the 3,256 licensed BDCs met the new capital requirements. Consequently, the number of licensed BDCs at end-December 2014 fell to 2,523, compared with 2,889 at end-December 2013.

#### 4.1.2 Fraud and Forgery

The number of reported cases of fraud and forgery in the banking industry continued to trend upwards. There were 11,447 cases involving the sum of ₦25.81 billion, compared with 6,395 cases involving the sum of ₦53.90 billion at end-December 2013. The value of actual loss to banks, however, declined by 19.3 per cent to ₦4.76 billion, from ₦5.90 billion at end-December 2013. Further analysis of the cases showed that most of the incidences of fraud during the review period were perpetrated by outsiders and some bank staff through armed robbery attacks, fraudulent ATM withdrawals, pilfering of cash, suppression and conversion of customers' deposits, illegal funds transfer, and cheque defalcation, among others.

*There were 11,447 cases involving the sum of ₦25.81 billion, compared with 6,395 cases involving the sum of ₦53.90 billion at end-December 2013.*

#### 4.1.3 Consumer Protection

The Bank received 1,215 complaints from consumers against financial institutions, compared with 1,071 received in 2013. Of this number, complaints against banks and OFIs accounted for 92.4 and 0.57 per cent, respectively, compared with 99.4 and 0.6 per cent in 2013. The complaints spanned various categories, namely, ATM issues, excess charges, dishonoured guarantees, dishonoured cheques, fraudulent withdrawals, and conversion of deposits, among others.

*The Bank received 1,215 complaints from consumers against financial institutions, compared with 1,071 received in 2013.*

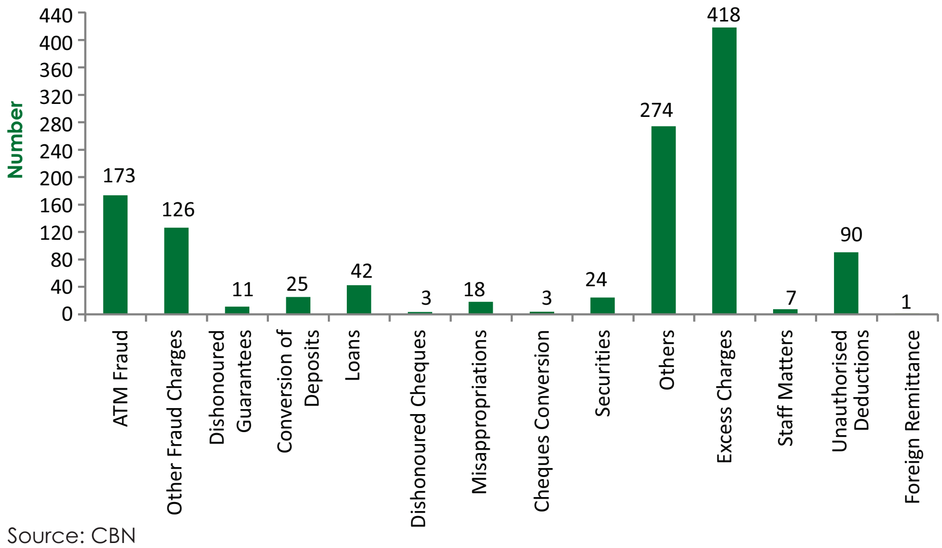
During the review period, eighteen (18) mediation meetings were conducted with banks and their customers, which resulted in the resolution and closure of nine hundred and eighty-seven (987) complaints. The remaining cases were at different stages of resolution. In addition, the Bank conducted compliance examination of banks during the review year to ascertain the effectiveness of their complaint management mechanism. The findings of the exercise were communicated to the respective banks for corrective action.

The cumulative value of unverified claims by consumers in respect of complaints lodged against banks in naira and US dollar in 2014 stood at ₦198.4 billion and US$111.85 million, respectively, compared with ₦137.74 billion and US$1.24 million in 2013. The verified claims stood at ₦19.070 billion and US$1.72 million, compared with ₦12.42 billion and US$1.24

million respectively in 2013. The actual refunds by the banks were ₦6.25 billion and US$1.08 million, compared with ₦2.96 billion and US$1.02 million at end-December 2013.

In order to address the challenges associated with the existing manual processes of handling complaints, the CBN migrated all banks onto the live platform of the Consumer Complaints Management System (CCMS). Consequently, all categories of complaints were uploaded to the CCMS during the review period.

**Figure 4.2: Consumer Complaints by Category, 2014**




Source: CBN

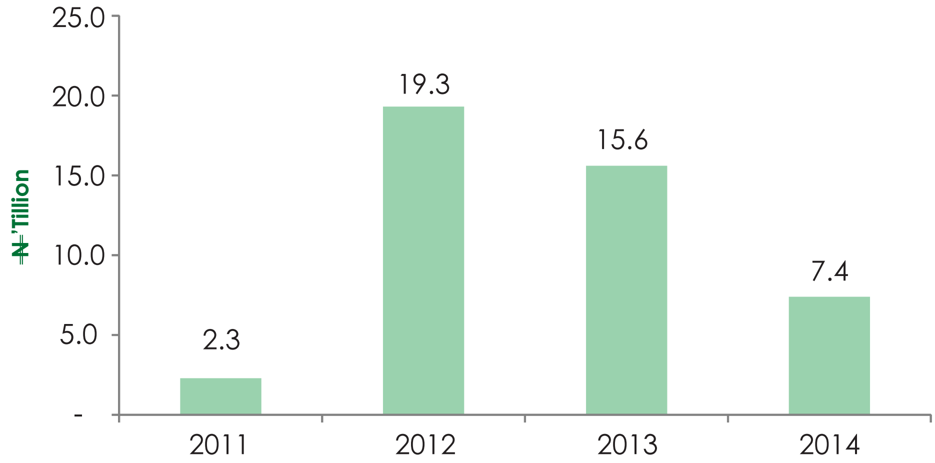
### 4.1.4 Cheques

The volume and value of cheques cleared nationwide declined by 47.6 and 53.2 per cent to 15.4 million cheques and ₦7.4 trillion, from 29.35 million cheques and ₦15.57 trillion, respectively, in 2013. The development was attributed to the increase in the use of e-payment channels by many bank customers.

**Figure 4.3a: Volume of Cheques Cleared, 2011 - 2014**


Source: CBN

Figure 4.3b: Value of Cheques Cleared, 2011 - 2014




Source: CBN

### 4.1.5 e-Money Products

The volume and value of electronic payments rose by 40.5 and 38.5 per cent to 455,635,404 and ₦4,391.4 billion, respectively, in 2014, above the levels in 2013.

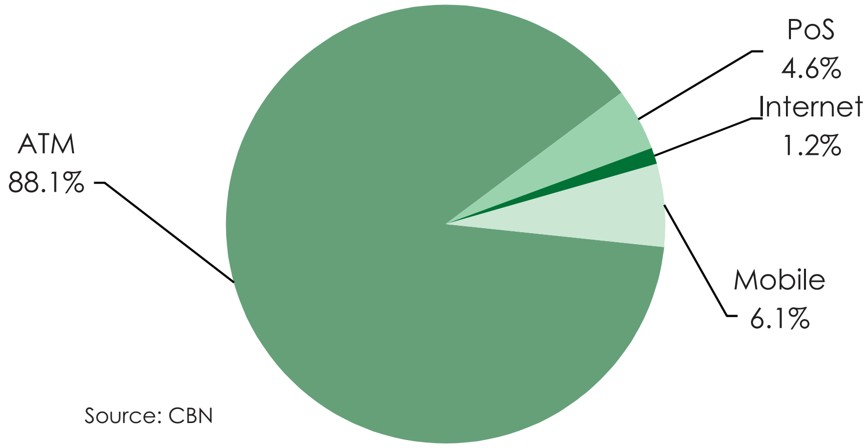
The significant rise in e-payment transactions was attributed to improved public awareness, due to the sensitisation campaigns and increased consumers' confidence in the use of the e-payments channels. Analysis of the contribution of the payment channels in the review period indicated that ATM remained the most patronised, accounting for 88.1 per cent, followed by mobile payments and PoS terminals, with 6.1 and 4.6 per cent, respectively. The Web (internet) was the least patronised, accounting for 1.2 per cent of the total. In terms of value, ATM accounted for 83.5 per cent; Mobile, 7.7 per cent; PoS, 7.1 per cent; and the Internet, 1.7 per cent.

**Table 4.1: Share of Categories of e-Payment Channels, 2012 - 2014**

| e-Payment Channels | Volume (Million) | | | Value ( ₦' Billion) | | |
|---|---|---|---|---|---|---|
| | 2012 | 2013 | 2014 | 2012 | 2013 | 2014 |
| ATM | 375.5 | 295.3 | 400.1 | 1,984.7 | 2,828.9 | 3,679.9 |
| % of Total | 98.1 | 91.3 | 88.1 | 94.7 | 88.9 | 83.5 |
| Web (Internet) | 2.3 | 2.9 | 5.6 | 31.5 | 47.3 | 74.3 |
| % of Total | 0.6 | 0.9 | 1.2 | 1.5 | 1.5 | 1.7 |
| PoS | 2.6 | 9.4 | 20.8 | 48.0 | 161.0 | 312.1 |
| % of Total | 0.7 | 2.9 | 4.6 | 2.3 | 5.1 | 7.1 |
| Mobile | 1.5 | 15.8 | 27.7 | 31.5 | 142.8 | 339.2 |
| % of Total | 0.6 | 4.9 | 6.1 | 1.5 | 4.5 | 7.7 |
| TOTAL | 382.7 | 323.4 | 455.6 | 2,095.7 | 3,180.1 | 4,391.4 |

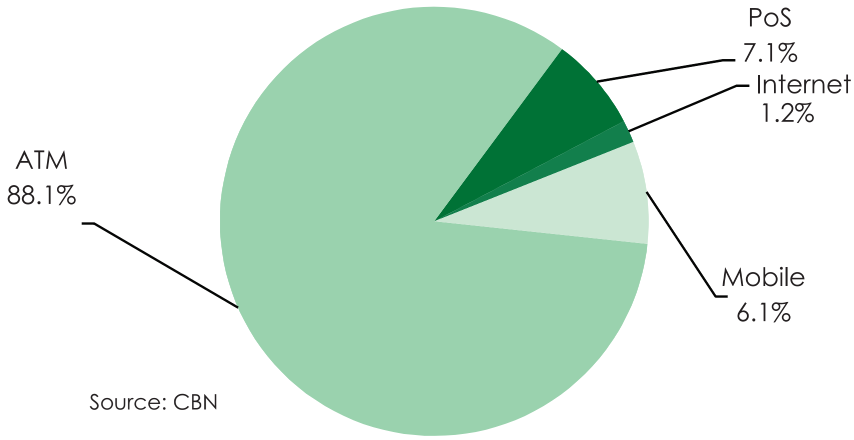
Source: CBN

**Figure 4.4a: Volume of Electronic Payment Transactions, 2014 (Per cent)**



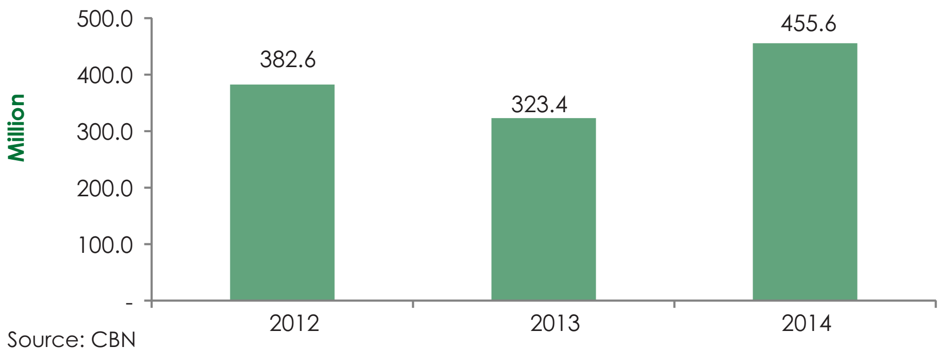

Source: CBN

**Figure 4.4b: Value of Electronic Payments, 2014 (Per cent)**



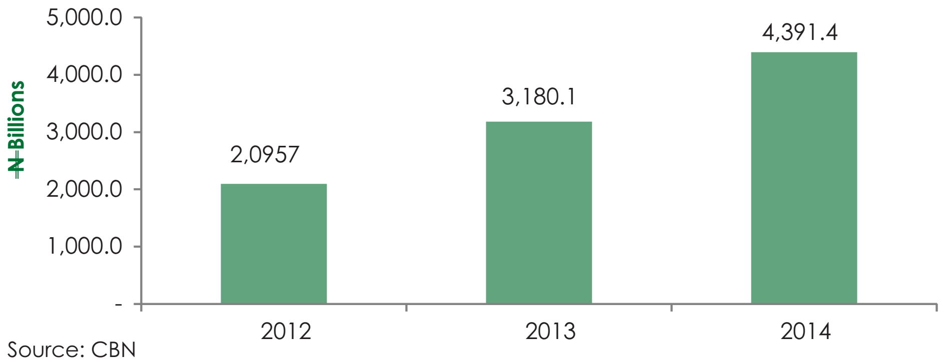

Source: CBN

**Figure 4.5a: Volume of Electronic Payments (Million), 2012-2014**




Source: CBN

**Figure 4.5b: Value of Electronic Payments (₦ Billions), 2012-2014**

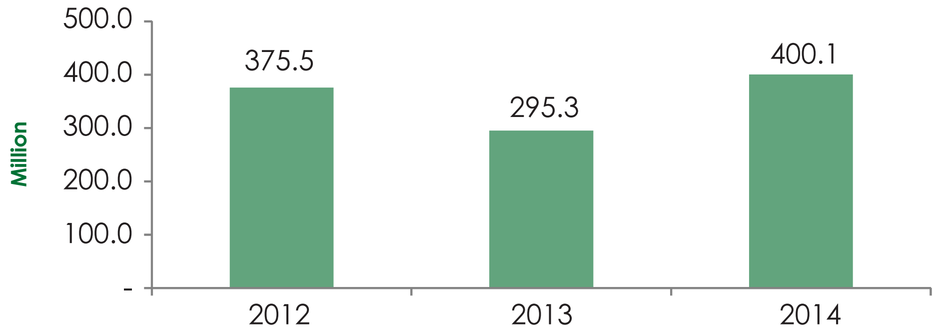



Source: CBN

### 4.1.5.1 Automated Teller Machine (ATM) Transactions

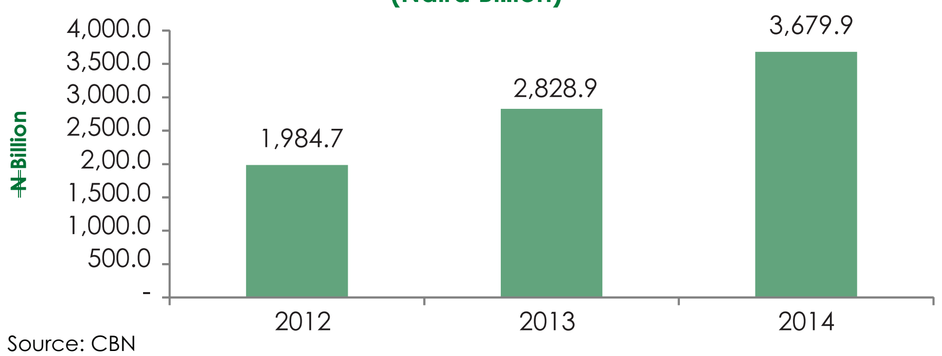
The number of ATM deployed as at end-December 2014 stood at 15,935, representing a 24.9 per cent increase above the figure of 12,755 at end-December 2013. ATM transactions increased in both volume and value by 35.5 and 30.0 per cent to 400,102,507 and ₦3,679.9 billion, respectively, at end-December 2014.

**Figure 4.6a: Volume of ATM Transactions, 2012 – 2014 (Million)**




Source: CBN

**Figure 4.6b: Value of ATM Transactions, 2012 – 2014 (Naira Billion)**

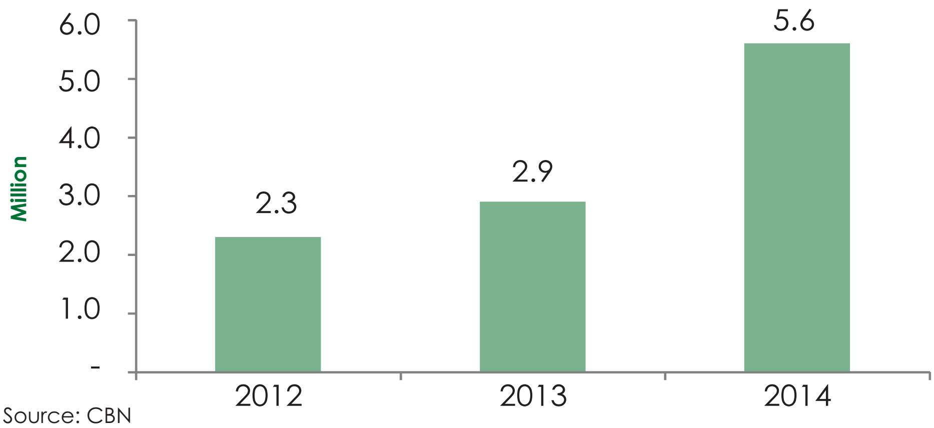



Source: CBN

#### 4.1.5.2 Web Transactions

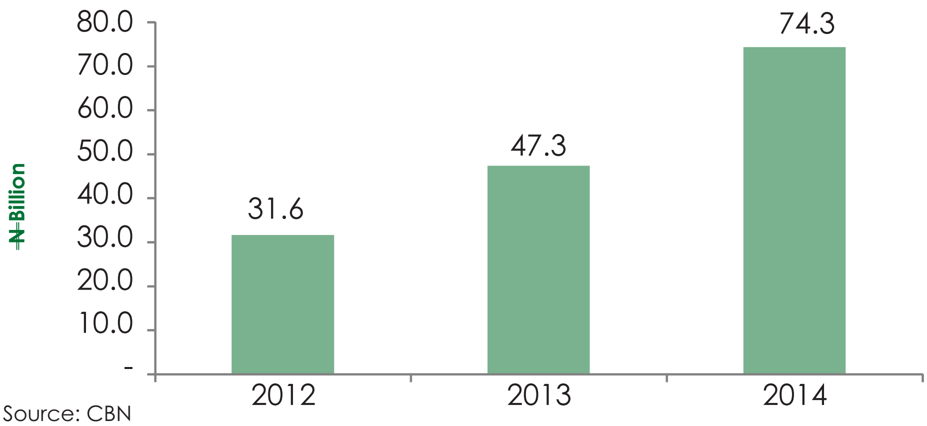
During the review year, the volume and value of transactions on the web increased to 5,567,436 and ₦74.3 billion from 2,900,473 and ₦47.3 billion in 2013, representing an increase of 91.9 and 57.1 per cent, respectively.

**Figure 4.7a: Volume of Web Transactions, 2012 – 2014 (Million)**




Source: CBN

**Figure 4.7b: Value of Web Transactions, 2012 – 2014 (Naira Billion)**

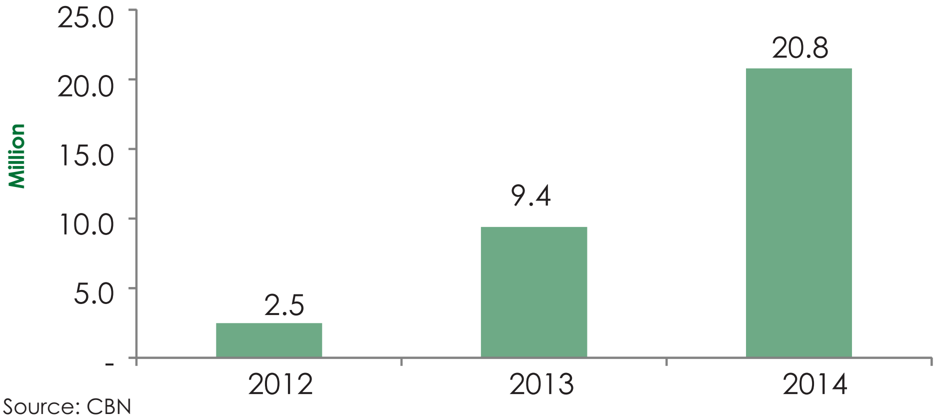



Source: CBN

#### 4.1.5.3 Point-of-Sale (PoS) Transactions

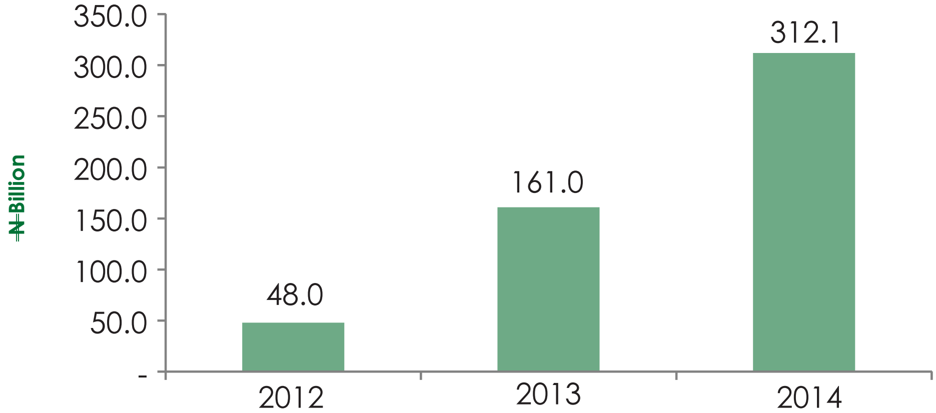
The volume and value of PoS transactions increased to 20,817,423 and ₦312.1 billion, from 9,402,255 and ₦161.0 billion in 2013, representing an increase of 121.4 and 93.8 per cent, respectively. The enhanced performance was attributed to increased awareness and public confidence in the use of the payment channel.

**Figure 4.8a: Volume of PoS Transactions, 2012 – 2014 (Million)**




Source: CBN

**Figure 4.8b: Value of PoS Transactions, 2012 – 2014 (₦'Billions)**

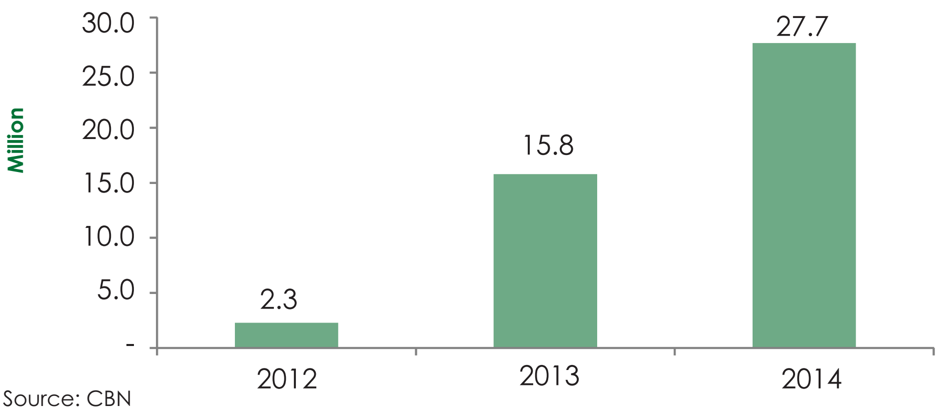



Source: CBN

#### 4.1.5.4 Mobile Payments

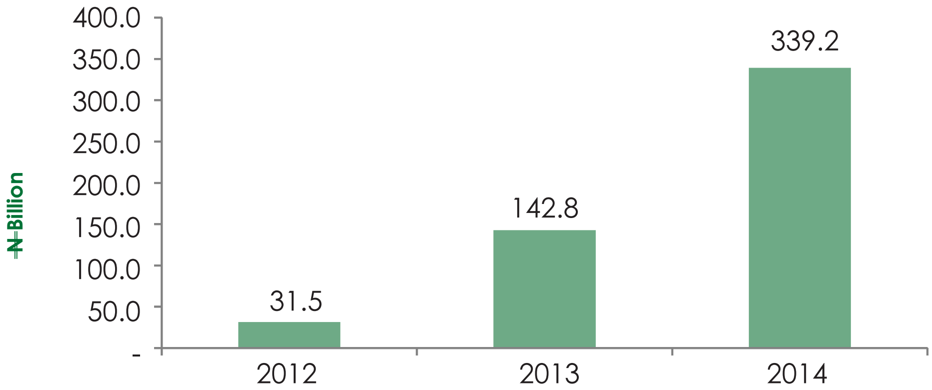
In the review period, the volume and value of mobile payments increased by 75.5 and 137.5 per cent to 27,744,797 and ₦339.2 billion, from 15,812,435 and ₦142.8 billion, respectively, in 2013. The significant increase in transactions was attributed to the increased awareness of the payment channel.

Figure 4.9a: Volume of Mobile Transactions, 2012 – 2014 (Million)




Source: CBN

Figure 4.9b: Value of Mobile Transactions, 2012 – 2014 (₦'Billions)



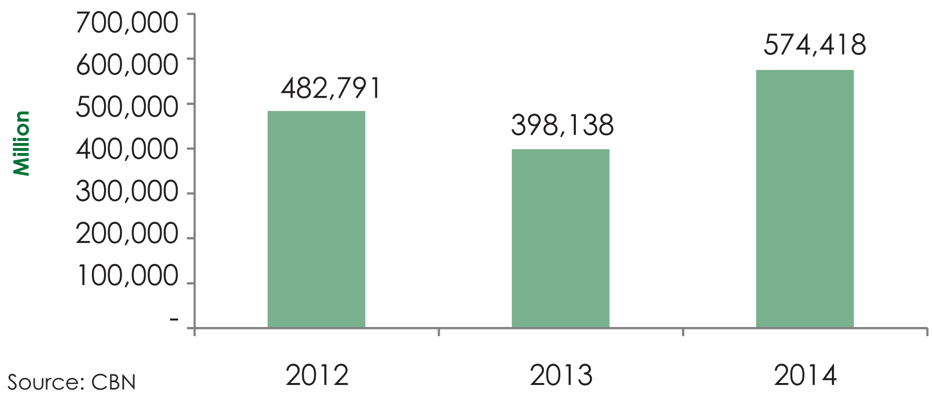

Source: CBN

### 4.1.6 Wholesale Payments System

#### 4.1.6.1 The Real Time Gross Settlement (RTGS) System

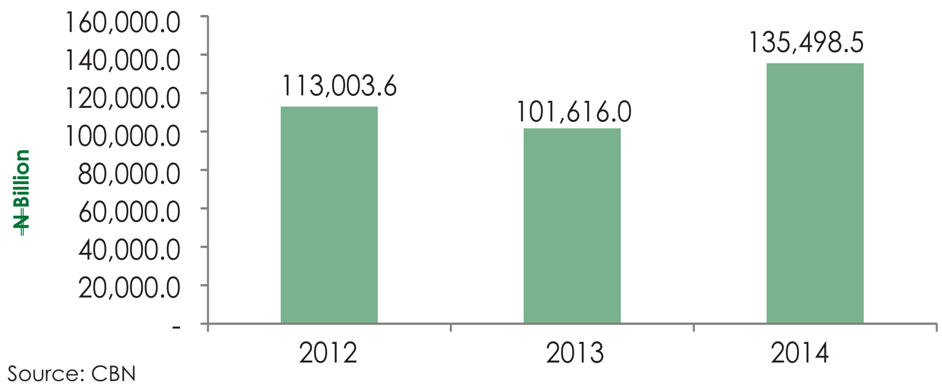
The volume and value of inter-bank transfers through the RTGS (CIFTS) system increased by 44.3 and 33.3 per cent to 574,418 and ₦135,498.5 billion respectively, in 2014, from 398,138 and ₦101,616.0 billion in 2013.

Figure 4.10a: Volume of RTGS Transactions, 2012 – 2014




Source: CBN

Figure 4.10b: Value of RTGS Transactions, 2012 – 2014 (₦'Billions)

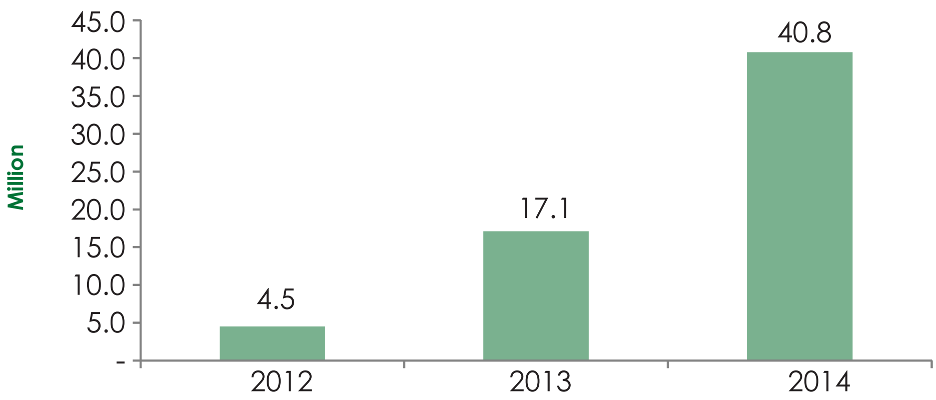



Source: CBN

**4.1.6.2 NIBSS Instant Payment (NIP) Transactions**

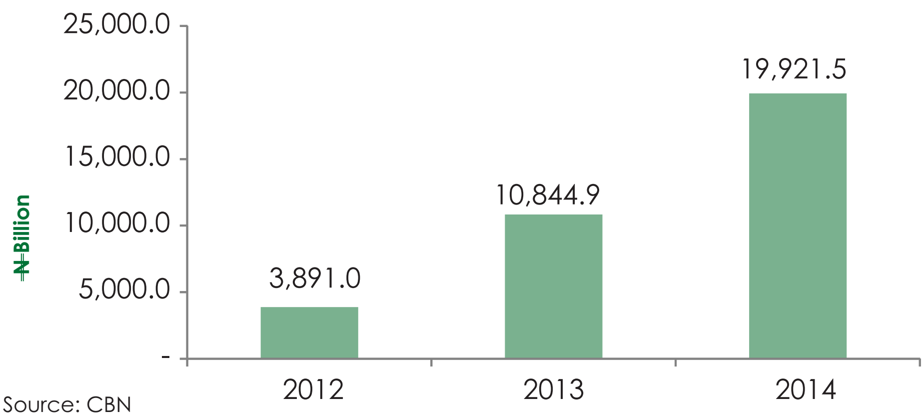
The volume and value of the NIBSS Instant Payment transactions increased by 138.6 and 83.7 per cent to 40,829,854 and ₦19,921.5 billion in 2014 from 17,111,532 and ₦10,844.9 billion, respectively, in 2013. The significant increase in the use of the channel was attributed to the growing awareness of the service and users' preference for a faster and more convenient online real time settlement

**Figure 4.11a: Volume of NIP Transactions, 2012 – 2014 (Million)**




Source: CBN

**Figure 4.11b: Value of NIP Transactions, 2012 – 2014 (₦'Billions)**

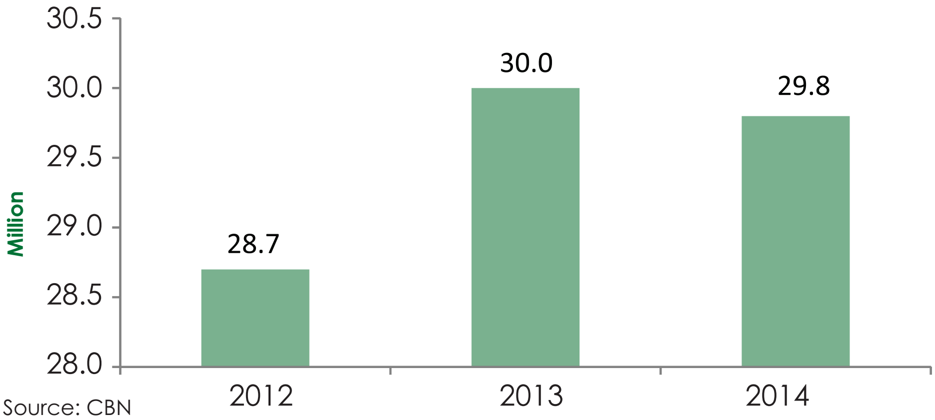



Source: CBN

### 4.1.6.3 The NIBSS Electronic Funds Transfer (NEFT)

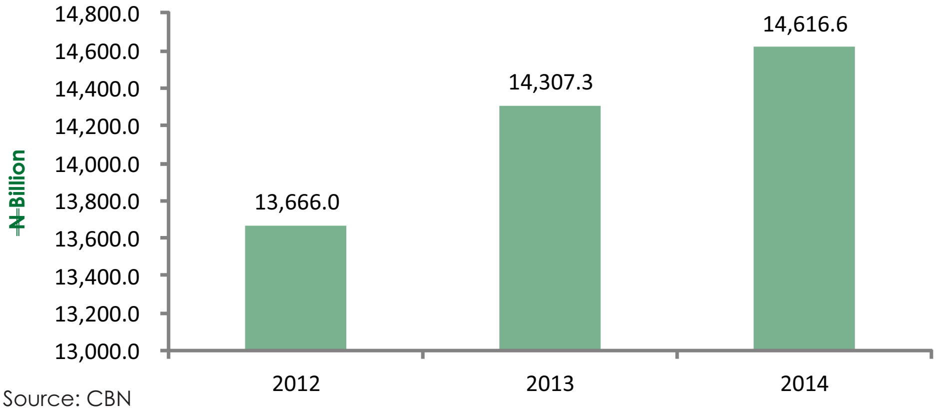
The volume of NIBSS Electronic Funds Transfer declined slightly by 0.7 per cent to 29,816,817, from 30,034,009 in 2013, while the value increased by 2.2 per cent to ₦14,616.6 billion during the review year, from ₦14,307.3 billion in 2013. The development was attributed to large value payments through the channel.

Figure 4.12a: Volume of NEFT Transactions, 2012 – 2014 (Million)




Source: CBN

Figure 4.12b: Value of NEFT Transactions, 2012 – 2014 (₦'Billions)




Source: CBN

## BOX 2: INTERNATIONAL MONEY TRANSFER SERVICES IN NIGERIA

During the review year, the Bank reviewed its guidelines on International Money Transfer Services (IMTS). The guidelines covered both inbound and outbound services, and are aimed at addressing business rules governing the operations of international money transfer services. In addition, the guidelines provide the basis for the regulation of the services offered at different levels and by diverse participants.

The guidelines emphasise the permissible and non-permissible activities of the international money transfer service operators (MTSOs). The permissible activities allowable for inbound and outbound services include the following:

(a) Acceptance of monies for the purpose of transmitting them to persons resident in Nigeria or in another country;
(b) Cross-border personal money transfer services, such as, money transfer services towards family maintenance and money transfer services favouring foreign tourists visiting Nigeria; and
(c) The money transfer services shall target mainly individual customers and the transactions shall be on a "person-to-person transfer" basis to safeguard against corporate customers that might structure their transactions into smaller amounts to circumvent the statutory reporting threshold.

On the other hand, the MTSOs' non-permissible activities are as follows:
(a) Act as an authorised dealer in gold or other precious metals;
(b) Engage in deposit taking and/or lending money;
(c) Maintain current accounts on behalf of customers;
(d) Establish letters of credit;
(e) Act as a custodian of funds on behalf of customers;
(f) Engage in institutional transfers. A money transfer service operator shall not engage in any other business other than as authorised by the Bank; and
(g) Buy foreign exchange from the domestic foreign exchange market for settlement.

Furthermore, the MTSO performs both inward and outward international money transfer services. The outward service was a new component of money transfer in Nigeria. To this end, the Bank appointed three (3) MTSOs to perform the specified services, when it was launched in August, 2014. The approved MTSOs are: Moneygram, Western Union, and Ria. They shall perform the following functions:

(a) Advise customers of the time funds sent would be available for collection by beneficiaries;
(b) Inform the customers within 24 hours where outward transfers could not be effected within the timeframe advised; and
(c) Refund to the sender any amount returned undelivered in the manner it was paid by the customer. Furthermore,
    (i) Where the operator is responsible for the returned transfer, the refund to the sender shall include all the fees and charges paid by the sender; and
    (ii) Where the sender is responsible for the returned transfer, the operator shall recover from the sender only costs associated with the transaction.

    However, the inward MTSOs shall perform the following functions:
    (i) Make payments to customers only in Nigerian currency, in line with CBN regulations;
    (ii) Use the prevailing exchange rate on the day the transfer is received; and
    (iii) Declare in the receipt/certificate of transfer that the money paid to the customer is not counterfeited.

### 4.1.7 Institutional Savings

Aggregate financial savings rose by ₦1,808.5 billion (19.6 per cent) to ₦11,032.9 billion, relative to the level at end-December 2013. The ratio of financial savings to GDP was 10.3 per cent, compared with 11.4 per cent in 2013. DMBs remained the dominant depository institutions in the financial system, accounting for 95.2 per cent of the total financial savings, compared with 83.3 per cent in the preceding year. Other savings institutions, namely, PMBs, life insurance companies, pension fund custodians, the Nigerian Social Insurance Trust Fund (NSITF) and microfinance banks accounted for the balance of 4.8 per cent.

## 4.2 MONETARY AND CREDIT DEVELOPMENTS

### 4.2.1 Reserve Money (RM)

Reserve money grew by 16.5 per cent to ₦5,930.95 billion at the end of 2014. At that level, reserve money was lower than the programme benchmark of ₦6,486.2 billion for fiscal 2014. However, when compared with the outcome at end-2013, the growth rate of reserve money was lower than the 37.4 per cent attained. These developments were due to the decline in both net domestic and foreign assets of the CBN.

In terms of uses, growth in reserve money over the level at end-December 2013 was accounted for by the respective increase of 24.7 and 1.2 per cent in bank reserves with CBN and currency-in-circulation, compared with the respective growth rates of 59.9 and 8.9 per cent at end-December 2013.

**Table 4.2: Reserve Money (₦' Billion)**

| | Dec-10 | Dec-11 | Dec-12 | Dec-13 | Dec-14 |
|---|---|---|---|---|---|
| **Sources** | | | | | |
| **Net Foreign Assets** | 5,372.29 | 5,823.79 | 7,393.56 | 7,043.93 | 6,244.71 |
| **Net Domestic Assets** | (2,249.83) | (295.11) | (1,496.16) | (1,150.06) | 466.00 |
| **Other Items Net** | (1,276.74) | (2,744.62) | (2,192.91) | (803.62) | (779.8) |
| **Reserve Money** | **1,845.71** | **2,784.07** | **3,704.48** | **5,090.24** | **5,930.95** |
| **Uses** | | | | | |
| **Currency in Circulation** | 1,378.13 | 1,566.05 | 1,631.72 | 1,776.41 | 1,797.98 |
| **Bank Reserves** | 467.58 | 1,218.02 | 2,072.77 | 3,313.83 | 4,132.96 |
| **Reserve Money** | **1,845.71** | **2,784.07** | **3,704.48** | **5,090.24** | **5,930.95** |

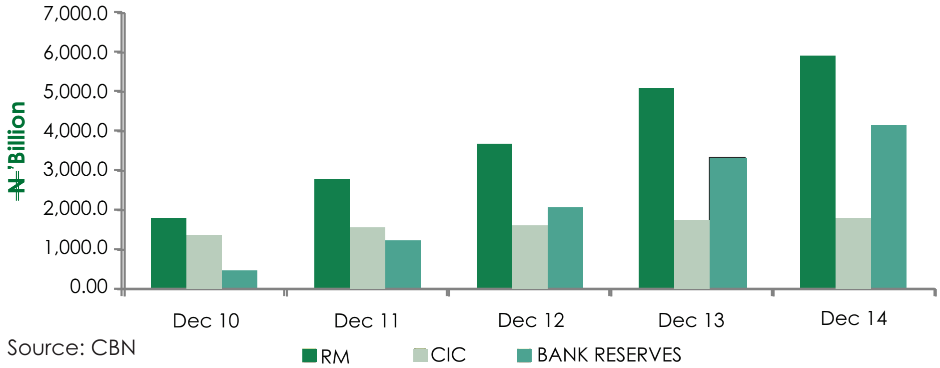
Source: CBN

**Table 4.3: Reserve Money (Growth rates %)**

| | Dec-10 | Dec-11 | Dec-12 | Dec-13 | Dec-14 |
|---|---|---|---|---|---|
| **Sources** | | | | | |
| **Net Foreign Assets** | (17.63) | 8.40 | 26.95 | (4.73) | (11.35) |
| **Net Domestic Assets** | (30.76) | (86.88) | 406.99 | (23.13) | 140.52 |
| **Other Items Net** | (21.13) | 114.97 | (20.10) | (63.35) | (2.97) |
| **Reserve Money** | **11.60** | **50.84** | **33.06** | **37.41** | **16.52** |
| **Uses** | | | | | |
| **Currency-in-Circulation** | 16.64 | 13.64 | 4.19 | 8.87 | 1.21 |
| **Bank Reserves** | (1.00) | 160.49 | 70.18 | 59.87 | 24.72 |
| **Reserve Money** | **11.60** | **50.84** | **33.06** | **37.41** | **16.52** |

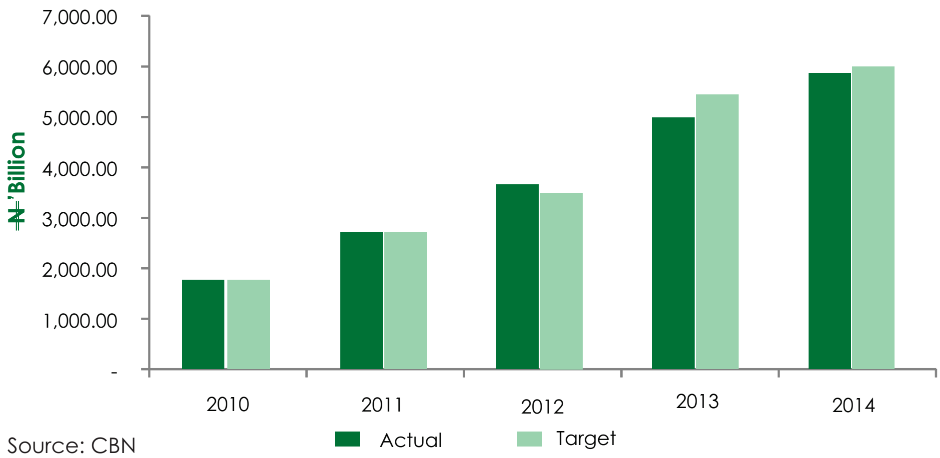
Source: CBN

**Figure 4.13a: Reserve Money, 2010 - 2014**




Source: CBN

**Figure 4.13b: Reserve Money Targets and Outcomes, 2010 - 2014**

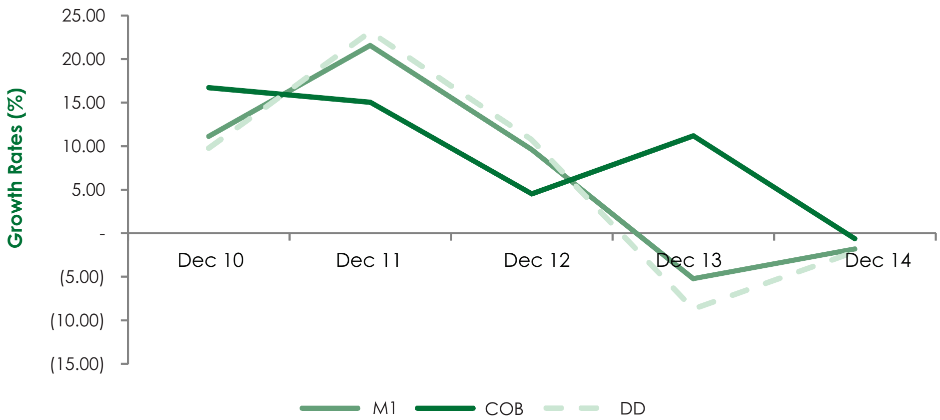



Source: CBN

### 4.2.2 Narrow Money (M1)

Narrow money supply (M1) declined by 1.8 per cent at end-December 2014, compared with 5.2 per cent recorded at end-December 2013. The development was due to the respective decline of 0.64 and 2.13 per cent in currency outside banks and demand deposits with banks. The ratio of currency outside banks to total monetary liabilities was 7.6 per cent, 1.6 percentage points below the level at end-December 2013.

**Figure 4.14: Growth in Components of Narrow Money (M1), 2010 - 2014**

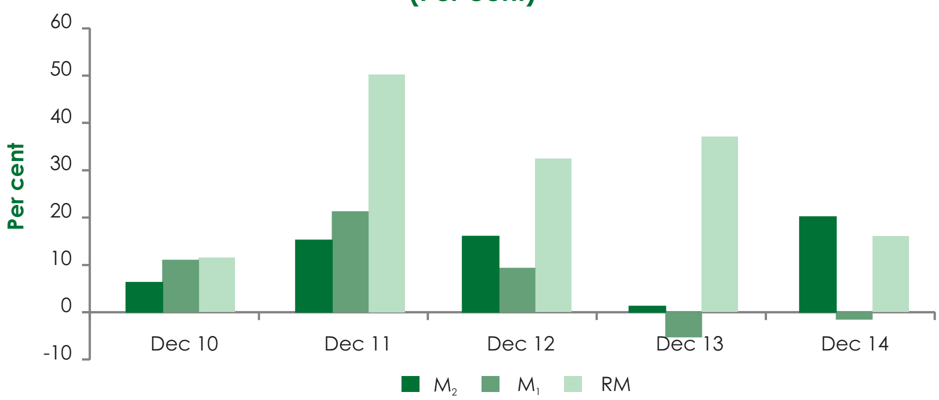



Source: CBN

### 4.2.3 Quasi-Money

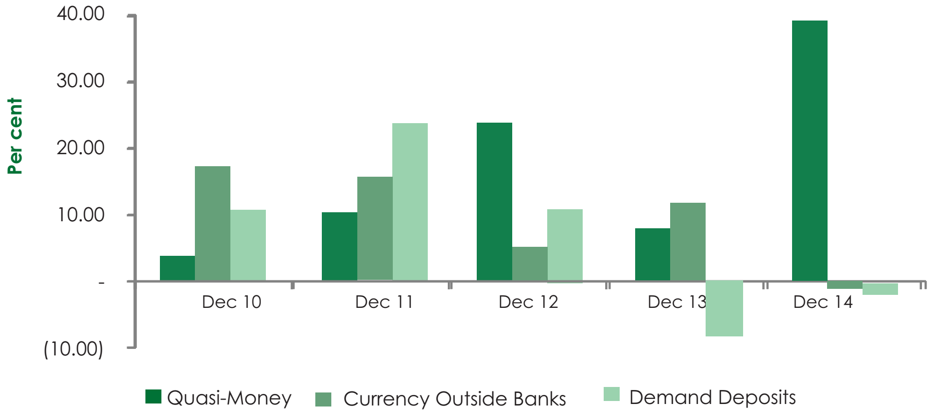
Quasi-money grew by 38.7 per cent to ₦12,008.2billion at end-December 2014, compared with the growth rate of 7.4 per cent at end-December 2013. The development reflected the growth in savings and time deposits, particularly the foreign currency deposits component, which grew significantly by 31.0 per cent to ₦4,461.37 billion, from the level at end-December 2013.

**Figure 4.15: Growth in Monetary Aggregates, 2010 - 2014 (Per cent)**




Source: CBN

**Figure 4.16: Growth in the Components of Broad Money (M2), 2010 - 2014 (Per cent)**



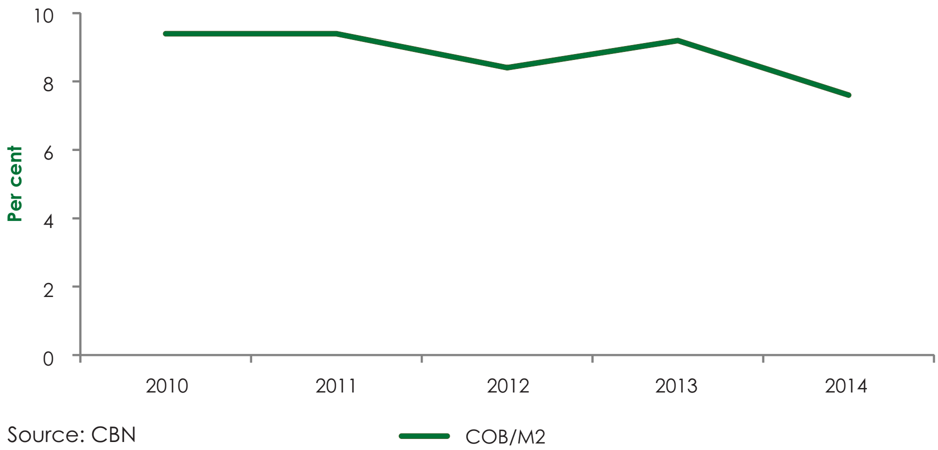

Source: CBN

### 4.2.4 Broad Money ($M_2$)

Despite the Bank's restrictive policy stance to maintain favourable monetary conditions for price stability, credit policies remained supportive of domestic economic activities in 2014. Both the supply of liquidity to the economy and credit to the private sector grew at a moderate pace, but stood above their indicative benchmarks for the year. Thus, broad money supply (M2) grew by 20.6 per cent to ₦18,913.03 billion at end-December 2014, which was higher than the growth rate of 1.3 per cent recorded at the end of 2013, due to the 32.6 and 2.5 per cent growth in aggregate credit (net) and other assets (net) of the banking system, respectively.

*Despite the Bank's restrictive policy stance to maintain favourable monetary conditions for price stability, credit policies remained supportive of domestic economic activities in 2014. Both the supply of liquidity to the economy and credit to the private sector grew at a moderate pace, but stood above their indicative benchmarks for the year.*

**Figure 4.17: Ratio of Currency Outside Banks to Total Monetary Liabilities (Per cent), 2010 - 2014**




Source: CBN

### 4.2.5 Drivers of Growth in Broad Money

#### 4.2.5.1 Net Foreign Assets (NFAs)

Net foreign assets of the banking system fell in 2014, due to increased intervention in the foreign exchange market by the CBN, the slowdown in portfolio and FDI inflow, and the sharp drop in international oil price. All of these developments in concert, reduced accretion to foreign reserves and thus, reduced the net foreign assets of the banking system. Net foreign assets holdings of the CBN and banks, which stood at ₦6,244.72 billion and ₦709.50 billion, respectively at end-December 2014, fell by 11.4 and 56.1 per cent below the levels at end-December 2013. Thus, from ₦8,658.6 billion at end December 2013, the NFAs of the banking system fell by 19.7 per cent to ₦6,954.21 billion at end-December 2014. Consequently, the share of NFAs in $M_2$, fell to 36.8 per cent from 55.2 per cent at end-December 2013. Similarly, the contribution of NFAs to the growth rate of $M_2$ was negative 10.9 percentage points at end-December 2014, compared with negative 2.5 percentage points at end-December 2013.

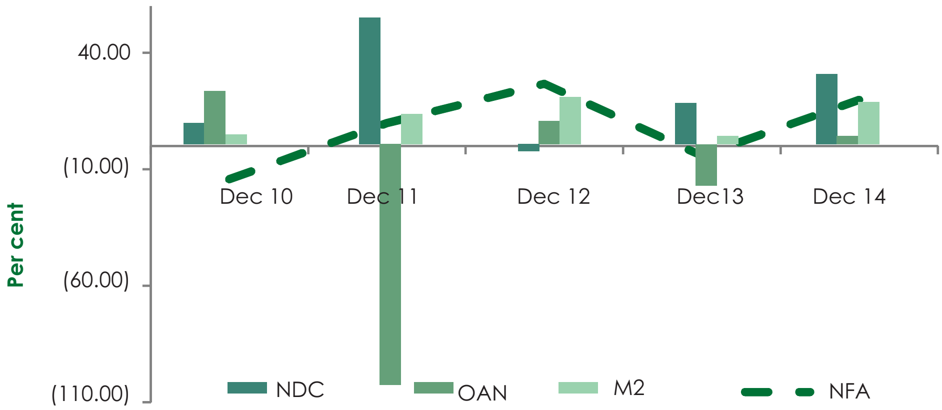
#### 4.2.5.2 Net Domestic Credit (NDC)

Aggregate credit to the domestic economy (net) stood at ₦19,273.76 billion at end-December 2014, representing 32.6 per cent growth over the level at end-December 2013 and the indicative benchmark of 28.5 per cent for fiscal 2014. The growth in aggregate credit over the level at end-December 2013 was attributed to the significant growth in net claims on the Federal Government and the growth in credit to the private sector. Consequently, NDC contributed 30.2 percentage points to the growth of M2 at end-December 2014, compared with 11.9 percentage points at end-December 2013.

#### 4.2.5.3 Net Credit to Government (NCG)

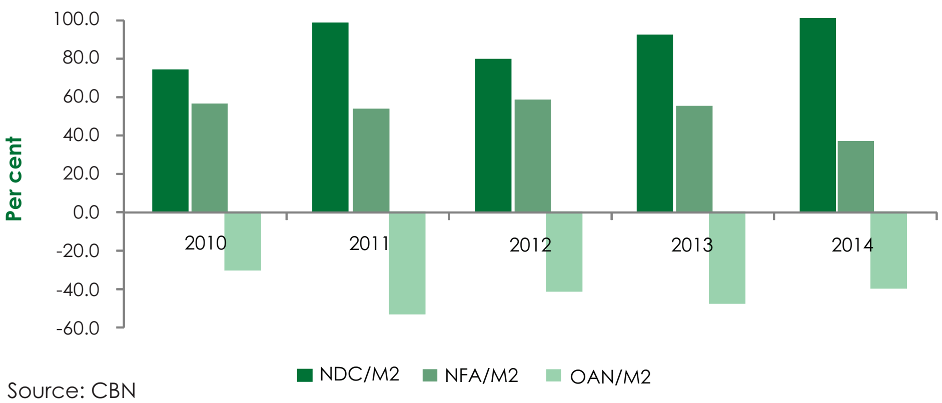
Net claims on the Federal Government increased by 169.4 per cent, compared with the growth of 32.5 per cent recorded at end-December 2013. The growth in net claims on the Federal Government reflected the banking system holdings of Federal Government securities, especially Treasury Bills and Federal Government (FGN) Bonds, which grew respectively by 4.9 and 31.2 per cent at end-December 2014. The Federal Government, as in the preceding year, remained a net creditor to the banking system.

**Figure 4.18: Growth in Broad Money Supply (M2), 2010 - 2014 (per cent)**




Source: CBN

**Figure 4.19: Share of NFAs, NDC and OAN in M2, 2010 - 2014 (Per cent)**




Source: CBN

**Table 4.4: Contribution to the Growth in $M_2$, 2010–2014 (percentage points)**

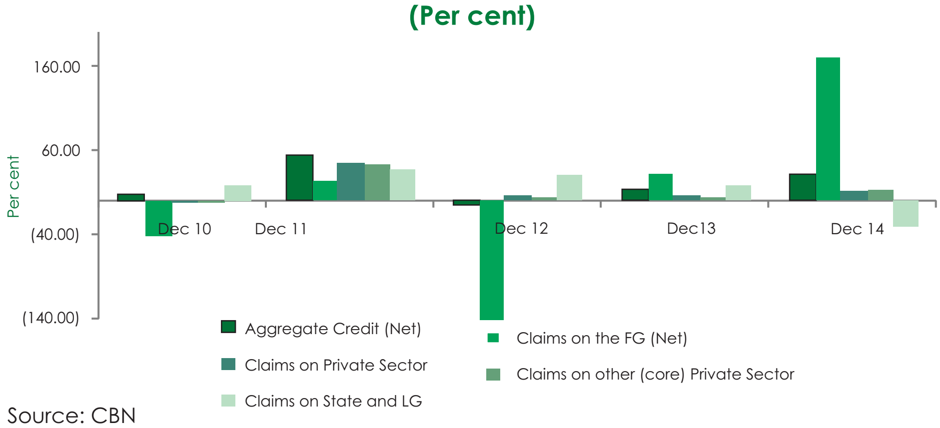
| | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| Net Foreign Assets (NFA) | -10.08 | 5.48 | 14.32 | -2.49 | -10.86 |
| Net Domestic Credit (NDC) | 5.90 | 40.38 | -3.42 | 11.86 | 30.20 |
| Other Assets (net) (OAN) | 11.09 | -30.44 | 5.49 | -8.05 | 1.21 |
| **$M_2$** | **6.91** | **15.43** | **16.39** | **1.32** | **20.6** |
| Narrow Money ($M_1$) | 5.14 | 10.41 | 4.88 | -2.51 | -0.82 |
| Quasi Money | 1.77 | 5.01 | 11.51 | 3.83 | 21.37 |
| **$M_2$** | **6.91** | **15.43** | **16.39** | **1.32** | **20.6** |

Source: CBN

### 4.2.5.4 Credit to the Private Sector (CP)

Banking system claims on the private sector (including state and local governments and non-financial public enterprises) grew by 11.9 per cent to ₦18,123.65 billion at end-December 2014, compared with the growth of 6.9 per cent, or ₦16,191.5 billion recorded at end-December 2013. The development reflected, wholly, the 14.1 per cent growth in banks' claims on the core private sector as claims on state and local governments fell by 31.2 per cent at end-December 2014.

**Figure 4.20: Growth in Domestic Credit (net), 2010 - 2014 (Per cent)**

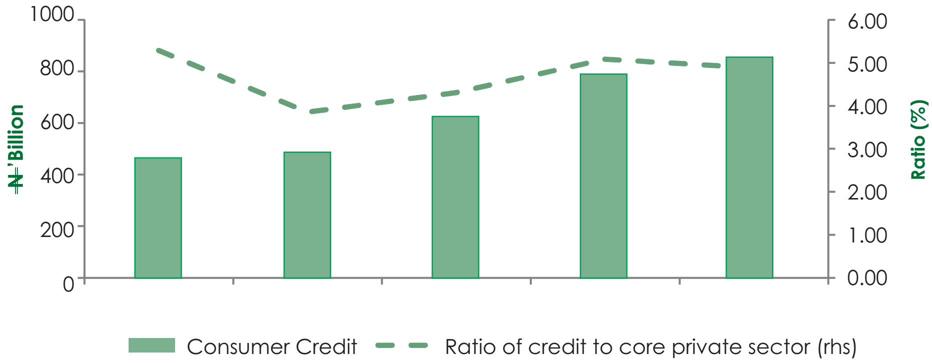



Source: CBN

#### 4.2.5.4.1 Outstanding Consumer Credit

Outstanding consumer credit grew by 8.5 per cent to ₦848.8 billion at end-December 2014, from ₦782.6 billion recorded at end-December 2013. At that level, consumer credit constituted 4.9 per cent of the banks' outstanding claims on the core private sector, compared with 5.1 per cent at end-December 2013. The growth in consumer credit reflected rising income levels and the DMBs' changing attitude towards consumer credit, as well as the general positive economic outlook.

Figure 4.21: Consumer Credit, 2010 -2014




Source: CBN

#### 4.2.5.5 Other Assets (Net) (OAN)

Other Assets (net) of the banking system grew by 2.5 per cent, in contrast to the decline of 19.9 per cent at end-December 2013. Consequently, the contribution of OAN to the growth of M2 was 1.21 percentage point at end-December 2014.

Table 4.5: Composition of Total Monetary Aggregate ($M_2$), 2010 - 2014 (Per cent)

| | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| **Net Domestic credit** | 73.74 | 98.87 | 82.01 | 92.65 | 101.9 |
| Claims on Federal Government (Net) | -11.55 | -7.75 | -15.85 | -10.56 | 6.10 |
| Credit on Private Sector | 85.29 | 106.62 | 97.86 | 103.20 | 95.70 |
| Claims on Other (core) Private Sector | 82.08 | 102.76 | 93.55 | 98.09 | 92.90 |
| **Foreign Assets (Net)** | **56.45** | **53.66** | **58.41** | **55.19** | **36.80** |
| **Other Assets (Net)** | **-30.19** | **-52.53** | **-40.42** | **-47.83** | **-38.70** |
| **Total Monetary Assets** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** |
| **Money Supply ($M_1$)** | **48.34** | **50.90** | **47.93** | **44.83** | **36.50** |
| Currency Outside Banks | 9.39 | 9.36 | 8.40 | 9.22 | 7.60 |
| Demand Deposit 2/ | 38.95 | 41.54 | 39.52 | 35.61 | 28.90 |
| **Quasi Money** | **51.66** | **49.10** | **52.07** | **55.17** | **63.50** |
| Time & Savings Deposit | 51.66 | 49.10 | 52.07 | 55.17 | 63.50 |
| Of which: Foreign Currency Deposit (FCD) | 13.07 | 14.77 | 17.61 | 21.70 | 23.60 |
| **Total Monetary Liabilities ($M_2$)** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** |

Source: CBN

### 4.2.6 Maturity Structure of DMBs' Loans and Advances and Deposit Liabilities

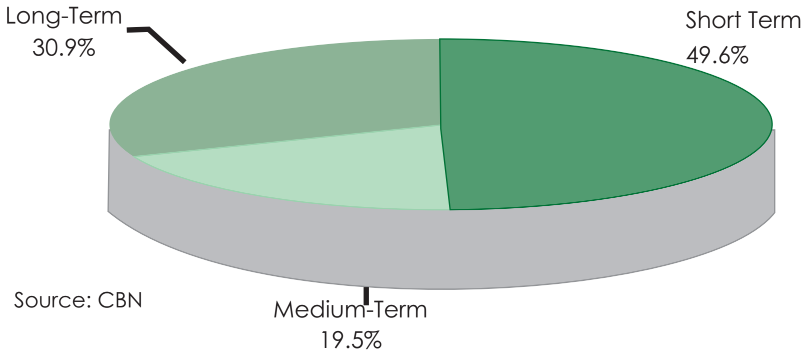
Short-term maturities, as in the preceding year, remained dominant in banks' outstanding credit and deposits in 2014. Outstanding loans and advances maturing one year and below accounted for 49.6 per cent of the total, compared with 52.6 per cent at end-December 2013, while the share of the medium-term (above 1 year and below 3 years) and long-term (3 years and above) loans rose marginally to 19.5 and 30.9 per cent, respectively, from 19.1 and 28.3 per cent at end-December 2013. Also, deposit liabilities showed a similar trend, with short-term deposits constituting 96.3 per cent of the total, which was a slight reduction from 97.2 per cent as at end-December 2013. Deposits of less than 30-day maturity constituted 73.7 per cent, while the share of medium and long-term deposits stood at 2.7 and 1.0 per cent respectively, compared with 2.84 and 0.01 per cent at end-December 2013. The structure of DMBs' deposit liabilities explained the rationale for their preferences for short-term claims on the economy.

**Table 4.6: Maturity Structure of DMBs' Loans and Advances, and Deposit Liabilities, 2012 - 2014**

| Tenor | Loans (%) | | | Deposits (%) | | |
|---|---|---|---|---|---|---|
| | 2012 | 2013 | 2014 | 2012 | 2013 | 2014 |
| 0-30 days | 35.6 | 27.5 | 24.6 | 77.04 | 74.51 | 73.69 |
| 31-90 days | 11.6 | 12.7 | 12.3 | 13.77 | 14.33 | 13.63 |
| 91-180 days | 6.1 | 4.9 | 7.0 | 3.72 | 4.69 | 5.50 |
| 181-365 days | 6.4 | 7.5 | 5.6 | 3.30 | 3.62 | 3.49 |
| Short-term | 59.7 | 52.60 | 49.6 | 97.83 | 97.15 | 96.31 |
| Medium-term - (above 1 year and below 3 Years) | 18.7 | 19.1 | 19.5 | 2.16 | 2.84 | 2.69 |
| Long-term (3 years and Above) | 21.7 | 28.3 | 30.9 | 0.01 | 0.01 | 1.00 |

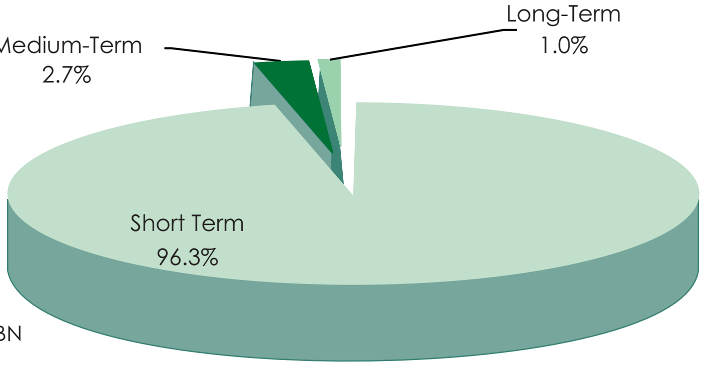
Source: CBN

**Figure 4.22a: Maturity Structure of DMBs' Loans and Advances at end-December 2014 (Per cent)**




Source: CBN

**Figure 4.22b: Maturity Structure of DMBs' Deposits at end-December 2014 (Per cent)**




Source: CBN

### 4.2.7 Sectoral Distribution of Credit

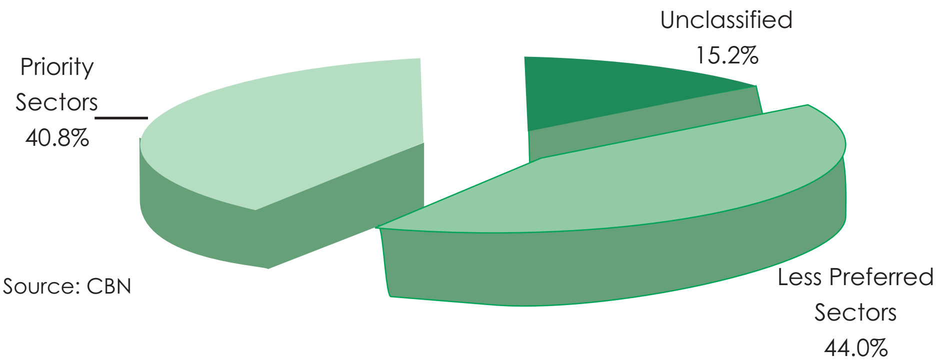
Of the total banks' claims on the core private sector in the review period, credit to the priority (productive) sectors, comprising agriculture, solid minerals, exports, and manufacturing constituted 40.8 per cent. The less preferred and unclassified sectors accounted for 44.0 and 15.2 per cent, respectively.

**Table 4.7:Share of Credit to the Core Private Sector, 2010 – 2014 (Per cent)**

| | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| **1. Priority Sectors** | **30.4** | **36.1** | **39.5** | **36.8** | **40.8** |
| Agriculture | 1.7 | 3.5 | 3.9 | 3.4 | 3.9 |
| Solid Minerals | 15.3 | 17.7 | 21.7 | 21.5 | 25.0 |
| Exports | 0.6 | 0.5 | 0.8 | 0.04 | 0.03 |
| Manufacturing | 12.8 | 14.4 | 13.1 | 11.8 | 12.0 |
| **2. Less Preferred Sectors** | **47.8** | **45.8** | **38.2** | **41.4** | **44.0** |
| Real Estate | 8.7 | 6.2 | 6.6 | 7.3 | 8.1 |
| Public Utilities | 0.7 | 0.9 | 0.4 | 2.2 | 3.4 |
| Transp. & Comm. | 10.7 | 17.3 | 11.9 | 13.9 | 14.0 |
| Finance & Insurance | 11.3 | 4.1 | 3.1 | 3.2 | 4.4 |
| Government | 4.9 | 6.8 | 7.8 | 7.2 | 5.9 |
| Imports & Dom. Trade | 11.7 | 10.3 | 8.5 | 7.6 | 8.2 |
| **3. Unclassified** | **21.8** | **18.1** | **22.3** | **21.8** | **15.2** |
| **Total (1+2+3)** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** |

Source: CBN

**Figure 4.23: Share in Outstanding Credit to the Core Private Sector, 2014 (Per cent)**

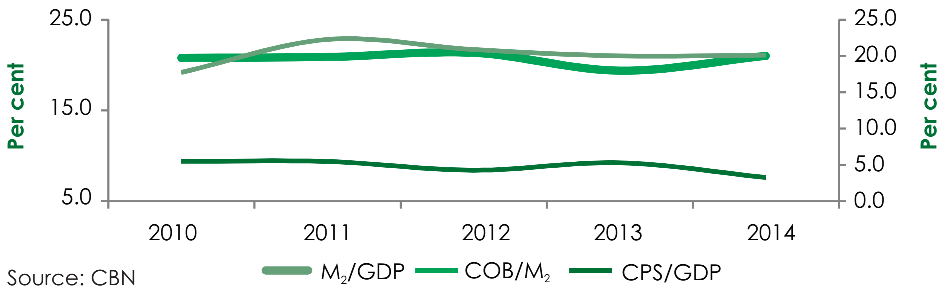



Source: CBN

### 4.2.8 Financial/Banking System Development

Indicators of financial development were impressive in 2014. The depth of the financial sector, measured by the ratio of M2 to GDP, stood at 21.0 per cent at end-December 2014, a slight increase when compared with the 19.4 per cent recorded at end-December 2013. Similarly, the banking system financing capacity of the economy measured by the ratio of credit to the private sector to gross domestic product (CPS/GDP) rose slightly by 0.1 percentage point to 20.1 per cent. Also, the intermediation efficiency indicator, measured by the ratio of currency outside banks to broad money supply, improved to 7.6 per cent, from 9.2 per cent at end-December 2013, indicating increased use of non-cash payment methods.

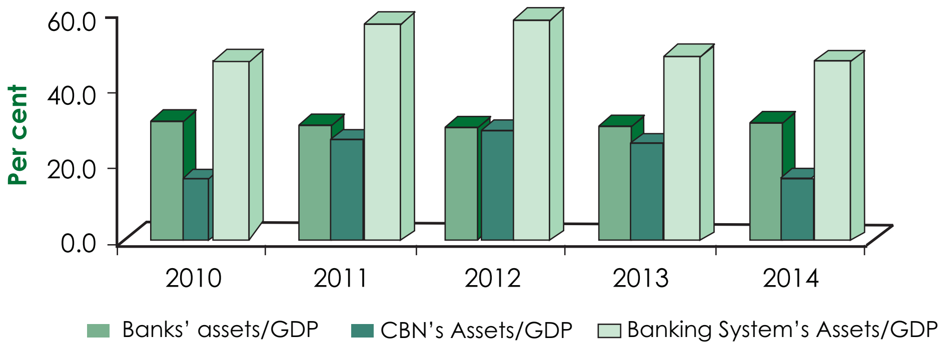
**Figure 4.24a: Ratio of Broad Money ($M_2$) and Credit to Private Sector (CPS) to GDP and Currency Outside Banks (COB) to $M_2$, 2010 - 2014**




Source: CBN

Total financial savings, measured by the ratio of quasi money to GDP, rose slightly by 2.6 percentage points over the 13.3 per cent level recorded at end-December 2013. Quasi money constituted 63.5 per cent of broad money supply, slightly higher than 55.2 per cent recorded at end-December 2013. This reflected, largely, the growth of foreign currency deposits in banks. Similarly, the systemic relevance of banks, measured by the ratio of their total assets to GDP, rose slightly to 30.7 per cent from 30.2 per cent in 2013. However, CBN's total assets to GDP ratio fell to 16.7 per cent below the 25.5 per cent recorded in 2013. The banking system's assets/GDP ratio fell marginally to 46.9 per cent from 48.8 per cent at end-December 2013.

**Figure 4.24b: Ratio of Banking System's Total Assets to GDP, 2010 - 2014**




Source: CBN

**Table 4.8: Monetary Aggregates and Measures of Financial/Banking Developments, 2010 - 2014**

| | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| **Aggregates ( ₦ ' billion)** | | | | | |
| Nominal GDP | 55,469.35 | 63,713.36 | 72,599.63 | 81,009.96 | 90,136.98 |
| Non Oil GDP | 47,066.67 | 52,673.95 | 61,284.60 | 70,713.64 | 80,520.50 |
| Narrow money (M1) | 5,571.27 | 6,771.58 | 7,420.95 | 7,032.84 | 6,904.79 |
| Broad Money (M2) | 11,525.53 | 13,303.49 | 15,483.85 | 15,688.96 | 18,913.02 |
| Quasi Money (QM) | 5,954.26 | 6,531.91 | 8,062.90 | 8,656.12 | 12,008.24 |
| Currency in circulation (CIC) | 1,378.13 | 1,566.05 | 1,631.72 | 1,776.41 | 1,797.97 |
| Currency Outside banks (COB) | 1,082.30 | 1,245.14 | 1,301.16 | 1,446.66 | 1,437.40 |
| Credit to Private Sector (CP) | 9,830.34 | 14,183.59 | 15,151.76 | 16,191.47 | 18,123.65 |
| Credit to core Private Sector(Cp) | 9,460.53 | 13,670.37 | 14,485.88 | 15,388.66 | 17,561.69 |
| Net Domestic Credit (NDC) | 8,498.65 | 13,152.87 | 12,698.21 | 14,535.20 | 19,273.76 |
| Net Foreign Assets (NFA) | 6,506.62 | 7,138.67 | 9,043.68 | 8,658.65 | 6,954.21 |
| Banks' Assets | 17,331.56 | 19,396.63 | 21,303.95 | 24,468.27 | 27,690.10 |
| CBN's Assets | 8,767.69 | 16,750.71 | 20,680.45 | 15,062.62 | 14,583.36 |
| Banking System's Assets | 26,099.25 | 36,147.35 | 41,984.40 | 39,530.88 | 42,273.46 |
| **Monetary Ratios (per cent)** | | | | | |
| M2/GDP | 20.78 | 20.88 | 21.33 | 19.37 | 21.00 |
| CIC/M2 | 12.0 | 11.8 | 10.5 | 11.3 | 9.5 |
| COB/M2 | 9.39 | 9.36 | 8.40 | 9.22 | 7.60 |
| Quasi Money/M2 | 51.66 | 49.10 | 52.07 | 55.17 | 63.50 |
| Quasi Money/GDP | 10.73 | 10.25 | 11.11 | 10.69 | 13.30 |
| CIC/GDP | 2.48 | 2.46 | 2.25 | 2.19 | 2.00 |
| CPS/GDP | 17.72 | 22.26 | 20.87 | 19.99 | 20.10 |
| Cp (core)/GDP | 17.06 | 21.46 | 19.95 | 19.00 | 19.50 |
| Banks' assets/GDP | 31.25 | 30.44 | 29.34 | 30.20 | 30.70 |
| CBNs' Assets/GDP | 15.81 | 26.29 | 28.49 | 25.50 | 16.70 |
| Banking System's Assets/GDP | 47.1 | 56.7 | 57.8 | 48.8 | 46.9 |

Source: CBN

### 4.2.9 Money Multiplier and Velocity of Money

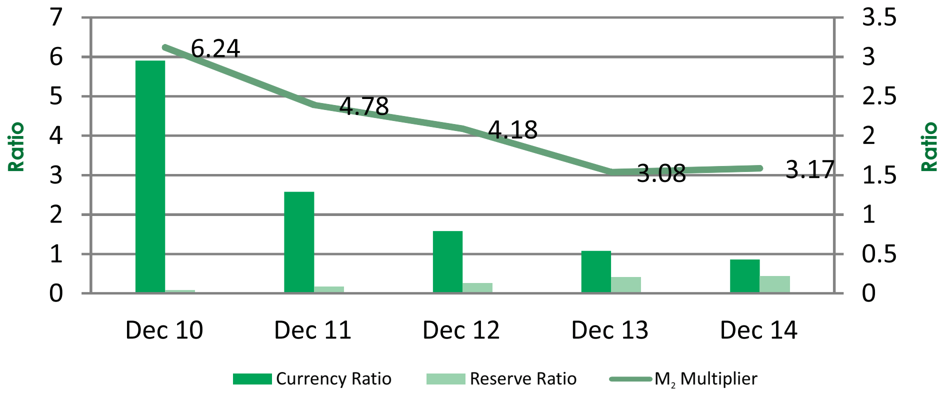
Broad money multiplier stood at 3.2, an increase of 0.1 above the level at end-December 2013. The behaviour of the multiplier reflected, largely, the Banks' cautious approach to lending, a behaviour learnt from the recent global financial crisis as well as the propensity to take advantage of the remuneration of excess reserves by the monetary authorities. The currency deposit ratio fell to 0.44 from 0.54 at the end of 2013, while the reserve ratio rose slightly from 0.21 in 2013 to 0.22 in 2014. The velocity of broad money, M2, declined slightly to 4.8, from 5.2 in 2013.

**Table 4.9: Money Multiplier, Currency Ratio, Reserve Ratio and Velocity of $M_2$, 2010 - 2014**

| | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| **Currency Ratio** | 2.95 | 1.29 | 0.79 | 0.54 | 0.44 |
| **Reserve Ratio** | 0.04 | 0.09 | 0.13 | 0.21 | 0.22 |
| **$M_2$ Multiplier** | 6.24 | 4.78 | 4.18 | 3.08 | 3.19 |
| **Velocity of $M_2$** | 4.81 | 4.79 | 4.69 | 5.16 | 4.77 |

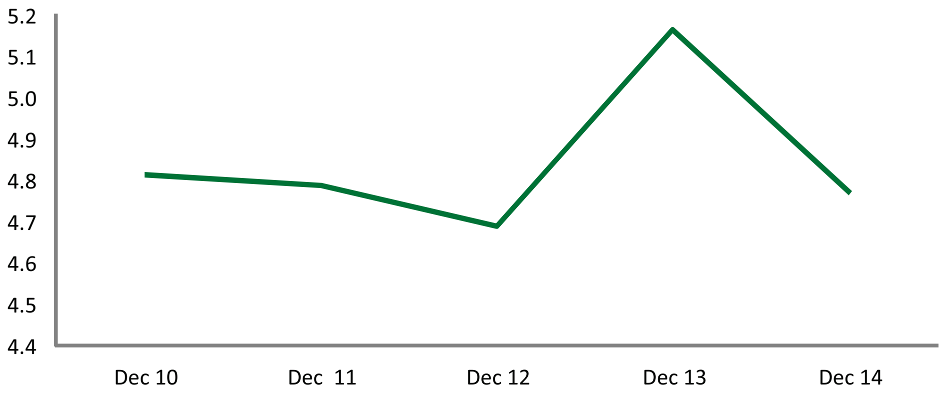
Source: Central Bank of Nigeria

**Figure 4.25: Money Multiplier, Currency Ratio and Reserve Ratio, 2010 - 2014**




Source: CBN

**Figure 4.26: Velocity of Broad Money, 2010 - 2014**




Source: CBN

## 4.3 OTHER FINANCIAL INSTITUTIONS

### 4.3.1 Development Finance Institutions (DFIs)

The total assets of the six (6) reporting DFIs declined by 39.0 per cent to ₦881.5 billion, compared with ₦1,444.6 billion at the end of the preceding year. The development was due, largely, to increased loan provisioning. Analysis of the asset base of the institutions indicated that the BOI, the Federal Mortgage Bank of Nigeria (FMBN), the Bank of Agriculture (BOA), the Nigeria Export-Import Bank (NEXIM), The Infrastructure Bank (TIB), and the National Economic Reconstruction Fund (NERFUND) accounted for 69.6, 16.2, 5.8, 4.5, 3.5 and 0.4 per cent, respectively.

The combined net loans/advances of the institutions increased by 96.5 per cent to ₦703.7 billion at end-December 2014, compared with ₦358.2 billion at end-December 2013, due, largely, to increased funding from the CBN intervention funds.

### 4.3.2 The Asset Management Corporation of Nigeria (AMCON)

The Asset Management Corporation of Nigeria (AMCON) on October 31, 2014 completed the scheduled redemption of its Series 5 bonds with a face value of ₦866.73 billion, thus bringing the total amount of its bonds so far redeemed since its inception to ₦1.80 trillion. The Corporation's outstanding bonds of ₦3.8 trillion, held by the CBN, would be redeemed progressively over its remaining life from contributions to the Banking Sector Resolution Cost Trust Fund (BSRCTF) and recoveries from operations.

The Corporation divested its equity interest in Enterprise Bank and Mainstreet Bank during the review period. Heritage Banking Company Plc emerged as preferred bidder for the former and Skye Bank Plc for the latter. They had paid for and assumed ownership of the institutions. The Corporation would divest its interest in Keystone Bank before the end of 2015.

Subsequent to the first hearing session held in September 2013, a second public hearing of the proposed amendment of the AMCON Act 2010 was held on February 17, 2014 by the Senate Committee on Banking, Insurance and Other Financial Institutions.

The Bank carried out an on-site examination of AMCON in the last quarter of 2014. The examination focused on the appraisal of the operations of the Corporation from July 1, 2013 to September 30, 2014 with emphasis on restructured and settled Eligible Bank Assets (EBAs), recoveries, disposal of acquired assets, and steps taken towards the sale of the three (3) bridge banks. Also reviewed were the board and management, corporate governance issues, the Corporation's compliance with its enabling law (the AMCON Act of 2010 and Guidelines) and other extant laws.

#### 4.3.3 The Nigeria Mortgage Refinance Company

The Nigeria Mortgage Refinance Company Plc (NMRC) which was incorporated in June 2013, following the grant of an approval-in-principle by the CBN, was launched by the President in January 2014. The NMRC was expected to address the inherent mismatch between the short-term deposit liabilities and the long-term nature of mortgage assets by raising long-term funds from the capital market and other debt instruments to re-finance eligible mortgages originated by primary mortgage banks (PMBs) and commercial banks, which conform to the NMRC underwriting standards. During the review period, the company concluded the first phase of its implementation programme, including preparatory activities to commence operations.

#### 4.3.4 Microfinance Banks (MFBs)

The total assets/liabilities of microfinance banks (MFBs) increased by 11.0 per cent to ₦300.7 billion, compared with ₦270.9 billion at end-December 2013. Similarly, the paid-up capital and shareholders' fund of the MFBs increased by 22.3 and 24.7 per cent to ₦82.4 billion and ₦91.0 billion, respectively. Net loans and advances also increased by 26.3 per cent to ₦162.9 billion, compared with ₦129.0 billion in the preceding year. Similarly, aggregate reserves increased to ₦18.6 billion, compared with ₦ 5.6 billion at end-December 2013, reflecting a marked improvement in the performance of MFBs. Investible funds available to the sub-sector was ₦58.6 billion, compared with ₦66.6 billion in the preceding year. The funds were sourced mainly from the increase in paid-up capital (₦15.03 billion), increased other liabilities (₦13.1 billion), reduction in fixed assets (₦10.4 billion), and increased deposits (₦9.9 billion). The funds were used to increase loans and advances (₦44.3 billion) and placements with other banks (₦8.8 billion), among others.

##### 4.3.4.1 Maturity Structure of Microfinance Banks' (MFBs) Loans & Advances and Deposit Liabilities

Short-term credit remained dominant in the microfinance market in 2014, driven, largely, by the structure of deposits in the banking sub-sector. At end-December 2014, short-term loans accounted for 81.8 per cent of the total, down from 87.0 per cent in the preceding year. Loans with maturity of over 360 days accounted for 18.2 per cent, compared with 13.0 per cent at end-December 2013. Similarly, short-termism remained the dominant feature of the deposits in these institutions as deposits of less than one (1) year maturity accounted for 93.8 per cent, compared with 95.5 per cent at end-December 2013. Deposits of over one (1) year accounted for 6.2 per cent, compared with 4.5 per cent at end-December 2013.

**Table 4.10: Maturity Structure of Assets and Liabilities of Microfinance Banks (MFBs), 2013 - 2014 (Per cent)**

| | 2013 | | 2014 | |
|---|---|---|---|---|
| **Tenor/Period** | **Loans and Advances** | **Deposits** | **Loans and Advances** | **Deposits** |
| 0-30 days | 17.6 | 64.9 | 17.5 | 59.0 |
| 31-60 days | 11.2 | 6.7 | 9.2 | 8.0 |
| 61-90 days | 14.1 | 8.9 | 13.8 | 9.5 |
| 91-180 days | 24.2 | 8.6 | 21.4 | 8.6 |
| 181-360 days | 19.9 | 6.4 | 19.9 | 8.7 |
| **Short Term** | **87.0** | **95.5** | **81.8** | **93.8** |
| **Above 360 days** | **13.0** | **4.5** | **18.2** | **6.2** |
| **Total** | **100.0** | **100.0** | **100.0** | **100.0** |

Source: CBN

### 4.3.5 Discount Houses (DHs)

The total assets/liabilities of discount houses stood at ₦131.2 billion, indicating a decline of 1.9 per cent from the level at the end of the preceding year. The fall in assets was attributed to the significant decline of 49.9 per cent in claims on banks during the review period. Total funds sourced amounted to ₦48.4 billion, compared with ₦11.3 billion in the preceding year. The funds were sourced mainly from claims on banks (₦29.0 billion) and on the Federal Government (₦12.8 billion). The funds were utilised mainly to increase borrowings (₦28.9 billion) and money-at-call (₦210.9 billion). Discount houses' investment in Federal Government securities amounted to ₦57.6 billion, representing 60.4 per cent of their current liabilities, a 0.4 percentage point above the prescribed minimum of 60.0 per cent for fiscal 2014 by the CBN.

### 4.3.6 Finance Companies (FCs)

The total assets/liabilities of finance companies (FCs) increased by 16.1 per cent to N119.6 billion, compared with ₦103.1 billion at end-December 2013. Similarly, total paid-up capital and net loans/advances increased by 13.3 and 4.5 per cent, to ₦16.1 billion and ₦48.8 billion, respectively, at end-December 2014. Total borrowings also increased by 15.5 per cent to ₦68.4 billion above the ₦59.2 billion recorded at end-December 2013. Investible funds available to the sub-sector were ₦21.3 billion, compared with ₦26.1 billion in the preceding year. The funds were sourced mainly from increase in borrowings (₦9.2 billion), other liabilities (₦4.3 billion) and placements (₦3.6 billion). The funds were utilised mainly to increase other assets(₦12.6 billion), fixed assets (₦4.0 billion) and loans/advances (₦2.1 billion).

### 4.3.7 Primary Mortgage Banks (PMBs)

The total assets/liabilities of primary mortgage banks (PMBs) declined by 19.8 per cent to ₦388.0 billion, from ₦484.0 billion at end-December 2013. Similarly, the paid-up capital declined by 19.0 per cent to ₦121.7 billion, from ₦150.2 billion at end-December 2013. These developments reflected the delisting of sixteen (16) PMBs that applied for conversion to other institutions in the sub-sector and the revocation of the operating licences of twenty-one (21) PMBs that failed to recapitalise. Also, loans and advances declined by 15.5 per cent to ₦133.0 billion, from ₦157.4 billion at end-December 2013. Deposit liabilities fell by 17.5 per cent to ₦135.8 billion, from ₦164.7 billion at end-December 2013. Investible funds available to PMBs amounted to ₦124.8 billion, compared with ₦164.2 billion in the preceding year. The funds were sourced mainly from a reduction in investments (₦44.7 billion), increase in reserves (₦29.8 billion) and recovery of loans/ advances (₦24.4 billion). They were utilised mainly to reduce other liabilities (₦54.1 billion), deposits (₦28.9 billion) and paid-up capital (₦25.6 billion).

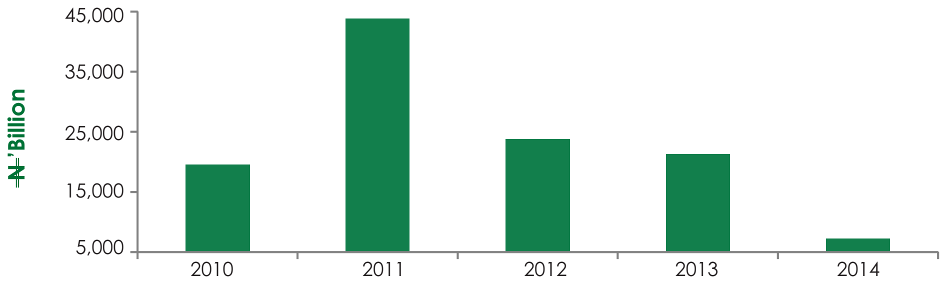
## 4.4 MONEY MARKET DEVELOPMENTS

The money market was relatively stable in 2014 as the Bank sustained its restrictive monetary policy stance and also implemented measures to stem speculative activities in the foreign exchange market. In addition, the revocation of the licence of one discount house in the preceding year had a lingering adverse effect on the activities of the inter-bank segment of the money market. The drastic fall in the international oil price put pressure on the external reserves and the exchange rate. This was exacerbated by foreign portfolio divestments that necessitated some corrective measures on foreign exchange utilisation, such as the upward shift in the mid-point of the rDAS exchange rate, as well as restriction on the sale of foreign exchange at the official window. Also, the Net Foreign Currency Trading Position Limit of individual banks was reviewed to zero from 1.0 per cent of their shareholders' fund. This meant that banks could not keep foreign exchange purchased from the inter-bank channel for more than 24 hours. A daily renumerable maximum limit of ₦7.5 billion was placed on Standing Deposit Facility (SDF) in addition to the continued prohibition of simultaneous access to the Standing Lending Facility (SLF) window and the retail Dutch-Auction System (rDAS) at the foreign exchange market. This was to stop the utilisation of SLF funds for the settlement of foreign exchange transactions at the rDAS.

### 4.4.1 The Interbank Funds Market

The introduction of the Scripless Securities Settlement System (S4) in December 2013 boosted securities transfer and settlement of transactions significantly in 2014. Nonetheless, inter-bank funds transfer was sluggish in 2014 as the value of transactions declined by 66.1 per cent to ₦7,242.79 billion from the level in 2013.

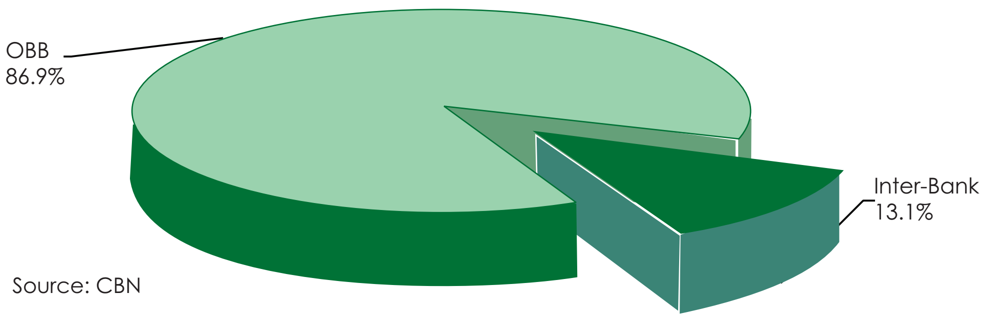
**Figure 4.27: Value of Interbank Funds Market Transactions, 2010 - 2014**




Source: CBN

A breakdown of the transactions showed that the value of inter-bank placements fell by 84.9 per cent to ₦909.99 billion. Similarly, the value of transactions at the OBB segment declined by 58.9 per cent from its level in 2013 to ₦6,294.60 billion. As a proportion of the total value of transactions, the OBB accounted for 86.9 per cent, while the inter-bank accounted for the balance of 13.1 per cent.

**Figure 4.28: Share of Inter-bank Funds Market Transactions, 2014 (Per cent)**



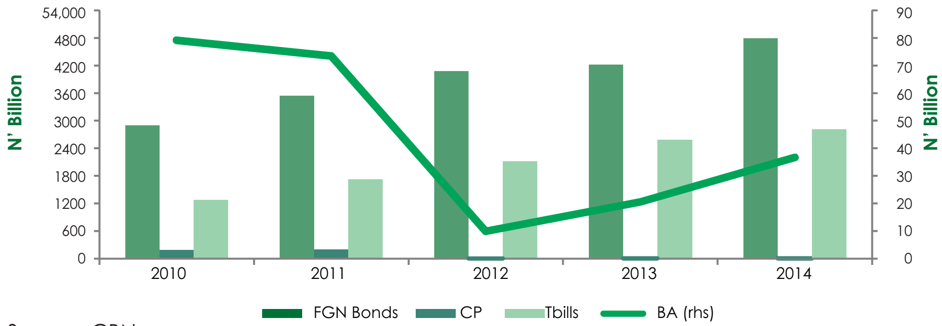

Source: CBN

### 4.4.2 Money Market Assets Outstanding

Total money market assets outstanding at end-December 2014 stood at ₦7,705.25 billion, representing an increase of 12.4 per cent above ₦6,853.88 billion recorded at end-December 2013. The development was attributed to the increase in the value of Nigerian Treasury Bills (NTBs), Bankers' Acceptances (BAs), Commercial Paper (CP) and FGN Bonds outstanding.

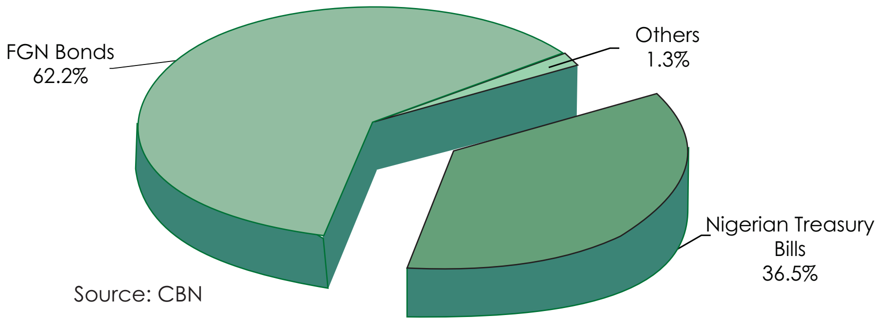
Government securities constituted 98.7 per cent of total money market assets outstanding, while private sector-issued securities, namely, certificate of deposits (CDs), CP, and BAs accounted for the balance.

**Figure 4.29: Money Market Assets Outstanding, 2010 - 2014 (N'billion)**




Source: CBN

**Figure 4.30: Composition of Money Market Assets Outstanding, 2014 (Per cent)**




Source: CBN

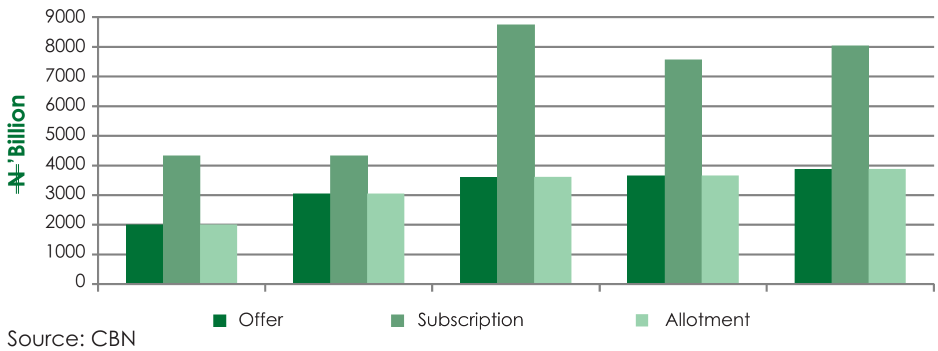
| Table 4.11: Composition of Money Market Assets Outstanding, 2013 and 2014 | | |
|---|---|---|
| **Asset** | **Share in Total (%) in 2013** | **Share in Total (%) in 2014** |
| **Treasury Bills** | 37.66 | 36.54 |
| **Treasury Certificates** | 0.00 | 0.00 |
| **Development Stocks** | 0.00 | 0.00 |
| **Certificates of Deposit** | 0.30 | 0.66 |
| **Commercial Paper** | 0.14 | 0.13 |
| **Bankers' Acceptances** | 0.30 | 0.48 |
| **FGN Bonds** | 61.60 | 62.19 |
| **Total** | **100.0** | **100.0** |

Source: CBN

#### 4.4.2.1 Nigerian Treasury Bills (NTBs)

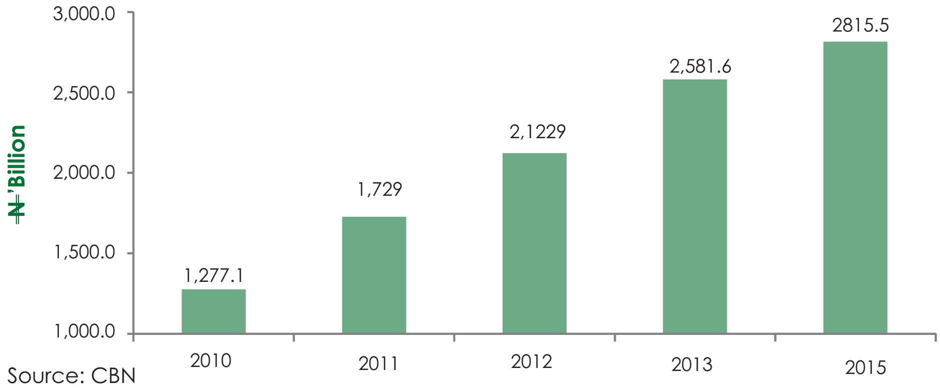
Total Nigerian Treasury Bills (NTBs) offered, subscribed and allotted in 2014, stood at ₦3,879.47 billion, ₦8,043.56 billion, and ₦3,879.47 billion, respectively, representing an increase of 6.3, 6.2 and 6.3 per cent over their values in 2013. The bid-to-cover ratio of 2.07 in 2014 indicated investors' preference for risk-free government securities.

Figure 4.31: NTB Issues, Subscriptions and Allotments, 2010 - 2014




Source: CBN

Figure 4.32: Nigerian Treasury Bills Outstanding, 2010-2014




Source: CBN

Analysis of holdings of NTBs showed that DMBs took up ₦1,985.03 billion (51.17 per cent); discount houses, ₦228.92 billion (5.90 per cent); and Mandate and Internal Funds customers, ₦1,483.94 billion (38.25 per cent). The Bank take-up in 2014 was ₦88.24 billion (2.33 per cent).

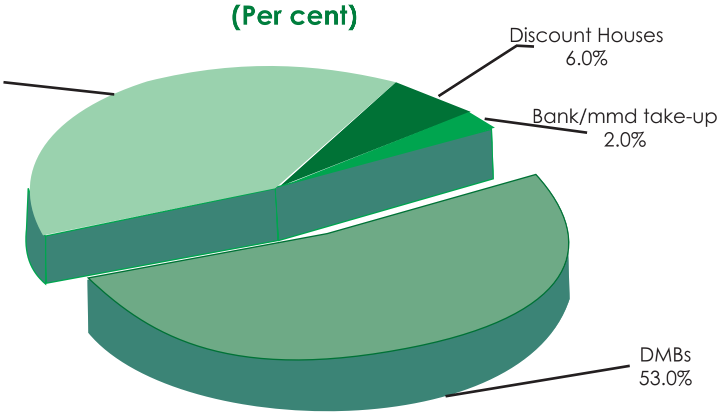
**Table 4.12: NTB Issues, Subscription, Allotments and Repayments, 2010-2014 (₦'Billion)**

| Tenor (day) | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| Offer Amount (₦'bn) | 2,003.95 | 3,048.49 | 3,609.65 | 3,650.88 | 3,879.47 |
| Total Subscription (₦'bn) | 4,324.85 | 6,512.73 | 8,750.49 | 7,573.45 | 8,043.56 |
| Allotment (₦'bn) | 2,003.95 | 3,048.49 | 3,609.65 | 3,650.88 | 3,879.47 |
| DMBs | 1478.7 | 2001.23 | 2141.99 | 1,853.72 | 1,985.03 |
| Mandate and Internal Fund | 324.1 | 702.58 | 1072.54 | 1,691.53 | 1,483.94 |
| Discount Houses | 201.2 | 344.68 | 231.26 | 70.35 | 228.92 |
| Bank/mmd take-up | 0.0 | 0.0 | 163.86 | 0.0 | 88.24 |
| | | | | | |
| Average Range of Successful Bid Rates (%) | | 5.56 – 16.99 | 10.50 – 17.20 | 7.50 –13.34 | 9.58 – 14.48 |
| Bid-Cover Ratio[1] | 2.16 | 2.14 | 2.42 | 2.07 | 2.07 |
| Repayments | | 2597.67 | 3225.89 | 3,192.26 | 1,690.05 |
| Net Flows[2] | | -450.82 | -383.76 | -458.62 | -2,189.43 |

Source: CBN

[1]Bid-Cover ratio equals Subscription divided by Allotments
[2]Net Flow equals Allotments minus Repayments

**Figure 4.33: Nigerian Treasury Bills: Breakdown of Allotments, 2014 (Per cent)**

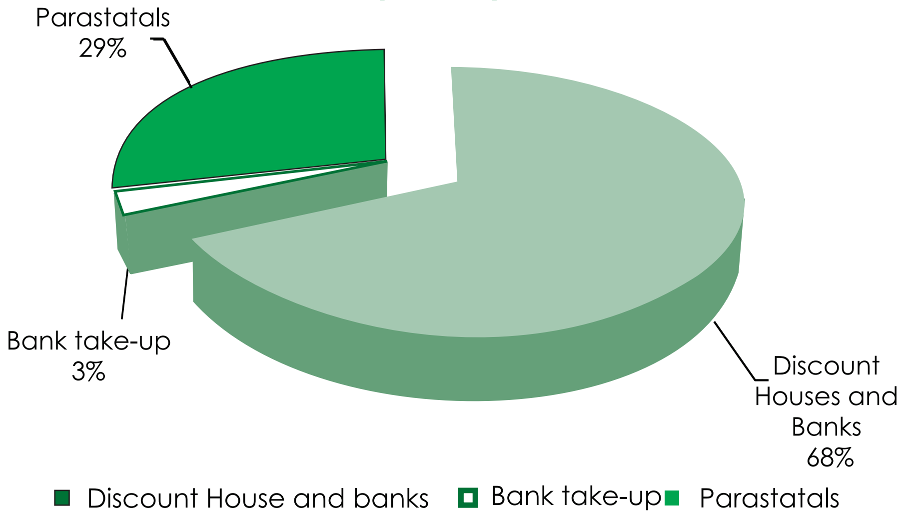



Source: CBN

The sum of ₦1,690.05 billion was repaid in 2014 resulting in a net outflow of ₦2,189.43 billion, compared with ₦458.62 billion in the preceding year. Consequently, the value of NTBs outstanding at end-December 2014 stood at ₦2,815.52 billion, an increase of 9.1 per cent over the level in the preceding year.

Analysis of NTBs outstanding by class of holders showed that banks and discount houses took up ₦1,451.29 billion (68%), parastatals held ₦609.32 billion (29%), while the Bank took up the balance of ₦0.62 billion (3%).

**Figure 4.34 Nigerian Treasury Bills Outstanding: Classes of Holders, 2014 (Per cent)**




Source: CBN

### 4.4.2.2 Commercial Paper (CP)

Commercial Paper (CP) held by DMBs increased in value from ₦9.32 billion at end-December 2013 to ₦9.85 billion at end-December 2014. Thus, CP constituted 0.14 per cent of the total value of money market assets outstanding, compared with 0.13 per cent at the end of the preceding year.

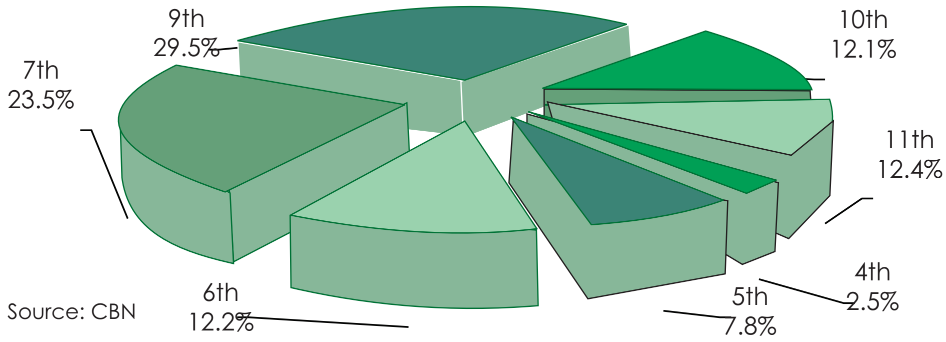
### 4.4.2.3 Bankers' Acceptances (BAs)

Bankers' Acceptances (BAs) held by DMBs increased by 79.00 per cent to ₦36,644.6 billion at end-December 2014. Consequently, BAs accounted for 0.48 per cent of the total value of money market assets outstanding, up from 0.30 per cent as at end-December 2013.

### 4.4.2.4 Federal Government of Nigeria (FGN) Bonds

New series and re-openings comprising Federal Government of Nigeria (FGN) Bonds series 1, 2 and 3 were auctioned in 2014. Total FGN Bonds offered for sale was ₦964.61 billion, while public subscription and sales stood at ₦2,099.75 billion and ₦1,061.59 billion, respectively. The huge subscription was attributed to the level of liquidity in the banking system, investor preference for long-term instruments, and the attractive coupon yields. Thus, the total value of FGN Bonds outstanding in 2014 was ₦4,792.28 billion, compared with ₦4,222.04 billion at end-December 2013, indicating an increase of ₦570.24 billion or 13.5 per cent. Of the total outstanding bonds, the 4$^{th}$ FGN Bonds accounted for 2.50 per cent; the 5$^{th}$, 7.83 per cent; the 6$^{th}$, 12.18 per cent; the 7$^{th}$, 23.51 per cent; the 9$^{th}$, 29.48 per cent; the 10$^{th}$, 12.13 per cent and the 11$^{th}$, 12.37 per cent.

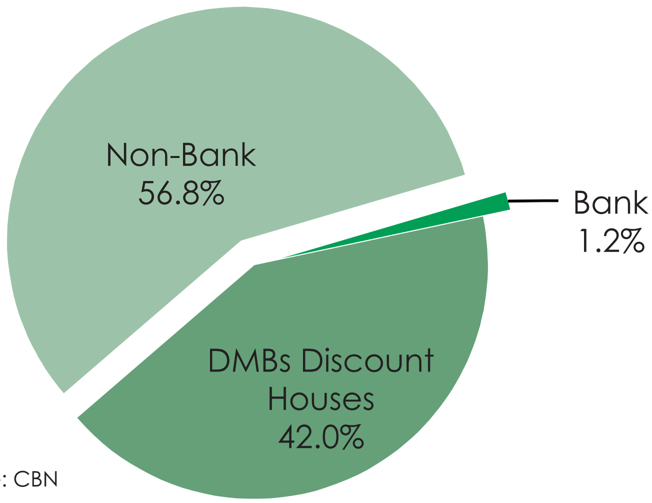
**Figure 4.35: Outstanding FGN Bonds, 2014 (Per cent)**




Source: CBN

The structure of holdings of FGN Bonds showed that 56.75 per cent was held by the non-bank public, banks and discount houses held 42.02 per cent and the Bank, 1.23 per cent.

**Figure 4.36: FGN Bonds by Holder, 2014 (Per cent)**




Source: CBN

The Asset Management Corporation of Nigeria (AMCON) issued bonds in exchange for the acquisition of eligible non-performing assets of banks and for the recapitalisation of the intervened banks to strengthen the banking sector. AMCON redeemed its series 5 bonds of ₦866.73 billion outstanding.

### 4.4.3 Over-the-Counter (OTC) Transactions

#### 4.4.3.1 OTC Transactions in Nigerian Treasury Bills (NTBs)

Nigerian Treasury Bills (NTBs) worth ₦24,262.83 billion were traded at the secondary market in 2014, compared with ₦11,262.55 billion in the preceding year. This was attributed to foreign investors' divestment/capital flow reversals occasioned by concerns over insecurity and depreciation of the exchange rate of the naira.

#### 4.4.3.2 OTC Transactions in FGN Bonds

In 2014, FGN Bonds worth ₦8,332.12 billion were traded in 47,311 deals at the secondary market, compared with bonds worth ₦7,858.64 billion in 45,735 deals in the preceding year. This represented a growth of 7.0 and 2.0 per cent in value and volume, respectively. The development was attributed to growing investors' confidence in long-term instruments that had increasingly acquired liquidity status and attractive yields on government securities.

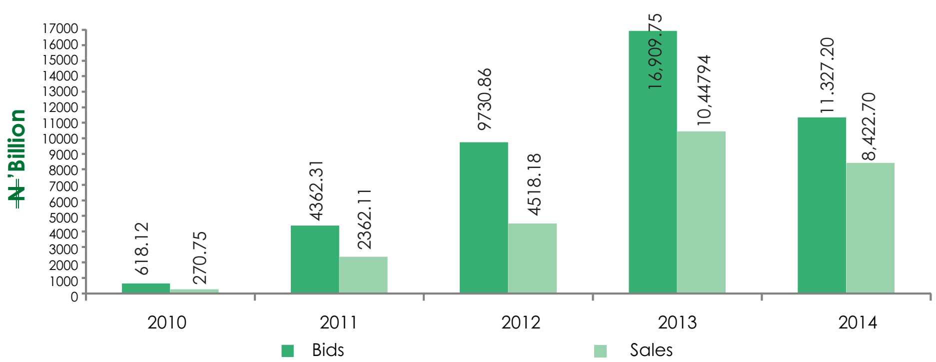
### 4.4.4 Open Market Operations (OMO)

In the review year, open market operations (OMO) were used for liquidity management to stem inflation and maintain price stability. OMO was complemented by discount window operations, reserve requirements and interventions in the foreign exchange market. The auctions were used to boost tradeable securities and increase activities in the secondary market.

#### 4.4.4.1 OMO Auctions

OMO auctions were conducted throughout the year using the CBN bills with tenors ranging from 115 to 163 days. Total value of securities offered was ₦5,540.00 billion, while total subscription and sale amounted to ₦11,327.20 billion and ₦8,422.70 billion, compared with ₦14,690.00 billion, ₦16,909.75 billion and ₦10,447.94 billion, respectively, in 2013. The decline in the level of activity was attributed to the reduction in the number of OMO auctions at the beginning of the year to reduce the cost of liquidity management. The sum of ₦353.40 billion was incurred as the cost of liquidity management from January to December 2014, compared with ₦523.07 billion in 2013.

**Figure 4.37: OMO Issues and Sales, 2010 - 2014**




Source: CBN

#### 4.4.4.2 The Two–way Quote Trading in NTBs

NTBs were not traded on the two-way quote trading segment during the period as in the preceding year.

#### 4.4.4.3 Repurchase Transactions (Repo)

The repo window remained available to authorised dealers. However, there was no request for repurchase transaction (Repo) in 2014 as money market liquidity was sufficient to meet the funding requirements of banks and discount houses. Furthermore, the flexibility of the Scripless Securities Settlement System (S4) made the roll-over of the overnight facility seamless and rendered tenored transaction relatively needless. In the preceding year, repurchase transactions amounted to ₦54.90 billion and interest earned was ₦ 90.25 million.

### 4.4.5 Discount Window Operations

#### 4.4.5.1 CBN Standing Facilities

The Bank continued to provide standing facilities to DMBs and DHs to enable them meet their short-term liquidity needs. Requests for the standing deposit facility (SDF) dominated due to the liquidity surfeit in the system during the period. The applicable rates remained MPR minus 200 basis points for the standing deposit facility (SDF) and MPR plus 200 basis points for the standing lending facility (SLF) throughout the year.

#### 4.4.5.1.1 The Standing Deposit Facility (SDF)

The patronage of the SDF by banks and discount houses in 2014 was more active than in the preceding year. The monthly average deposit in 2014 was ₦306.63 billion, compared with ₦201.33 billion in 2013. This resulted in an average interest expense of ₦123.39 million, compared with ₦80.11 million in 2013 by the Bank. Prevailing excess liquidity for the major part of the year sustained activities in the SDF window. However, the implementation of the new guidelines for the operations of SDF, which pegged the remunerable daily placement of banks and DHs at ₦7.50 billion moderated the volume from November 6, 2014.

#### 4.4.5.1.2 The Standing Lending Facility (SLF)

The Standing lending facility was granted to DMBs and DHs to square up their positions at the end of each business day. Patronage of the Bank's facility for lending reflected the liquidity position during the year as requests were relatively low from April until November when an upward review of the policy rate impacted market liquidity. The total SLF accessed at the Bank amounted to ₦5,151.65 billion out of which ₦2,746.47 billion was Intra-day Lending facility (ILF) converted to overnight repo. The average daily request for SLF was ₦23.88 billion, compared with ₦50.79 billion in 2013. Average daily interest earned by the Bank on SLF declined to ₦13.51 million, from ₦28.22 million in 2013. The rate, as in the preceding year, was 14.00 per cent up to November 25, 2014 and 15.00 per cent thereafter, following the upward review of the MPR from 12.00 to 13.00 per cent.

### 4.4.6 Developments in the Money Market

Some of the developments in the money market in the review year included:

- Rollout of the cash-less policy in the remaining thirty (30) states of the federation although the implementation of charges on withdrawals above the stipulated levels were delayed till July 1, 2015 to allow for adequate sensitisation and deployment of necessary infrastructure. All charges on deposits as recommended in the Cash-less Policy Circular were stopped.

- The release of guidelines by the Bank on accessing the standing deposit facility window in order to encourage banks to increase lending to the productive sector of the economy. The guidelines also restricted the remunerable daily deposits by each DMB and DH to ₦7.5 billion at the prevailing SDF rate, while deposits above the maximum daily placement attracted zero interest rate.

## 4.5 CAPITAL MARKET DEVELOPMENTS

### 4.5.1 Developments in the Nigerian Capital Market.

To reposition the Nigerian Stock Exchange (NSE), the Board approved in 2014, a revised corporate strategic plan detailing NSE's growth strategy for the period, 2015 – 2019. The new corporate strategy focuses on initiatives aimed at achieving three (3) strategic objectives, namely, increasing the number of new listings across the five (5) asset classes; increasing an orderly flow in the five (5) asset classes; and operating a fair and orderly market, based on just and equitable principles. To achieve its objective of transforming the market, the NSE unveiled a new set of minimum operating standards for all three (3) classes of market intermediaries. This was expected to enhance sustainability and ensure the protection of investors and other stakeholders.

*The Board of the Nigerian Stock Exchange (NSE) approved a revised corporate strategic plan detailing NSE's growth strategy from 2015 to 2019; and continued to implement programmes towards the transformation of the capital market*

To promote access to Nigerian and other West African capital markets, the NSE launched the direct market access (DMA) facility in October 2014 as the first step towards the implementation of sponsored access under the West African Capital Markets Integration (WACMI) programme.

In line with its drive for domestic and foreign investment, the Exchange launched a new website in July 2014. The website would enhance better access to information on listed companies and other activities of the Exchange. Furthermore, it conducted 200 investor education outreach programmes during the review period. The outreach was aimed at empowering retail investors to make informed investment decisions. Also, the Exchange launched an on-line whistle-blowing portal, the "X-Whistle". This was to facilitate the submission of tips and referrals regarding violations of the rules, regulations and laws of the Nigerian capital market. In addition, during the review period, a total of 343 claims verified under the rules of Investor Protection Fund (IPF)(maximum payout per claim at N400,000) were approved for payment.

The NSE was admitted into the Inter-Market Surveillance Group (ISG) in January 2014 as the first African stock exchange to become a member of the Group. Also, the NSE was admitted to membership of the World Federation of Exchanges (WFE) in October 2014, following a multi-year process that included a two-day onsite inspection in September 2014.

At end-December 2014, the number of listed companies and securities stood at 189 and 253, indicating a decline of 0.5 and 0.4 per cent, respectively, from the levels in the preceding year. Similarly, the number of listed bonds declined to 52 from 55 recorded in the preceding year, and the number of listed equities also decreased slightly to 197 from 198 at end-December 2013. The market had its first initial public offering (IPO) since the crash of 2008 with the dual primary listing of the shares of Seplat Petroleum Development Company Plc on the Main Board of the NSE and the London Stock Exchange (LSE) in April 2014. Consequently, there were six (6) new equity listings, two (2) on the Main Board, one (1) on Alternative Securities Market (ASeM), and three (3) Exchange Traded Funds (ETFs), while five (5) companies were delisted from the Main Board during the year. Overall, a total of eighteen (18) new listings, including twelve (12) new bond/debt securities were listed on the Exchange in 2014.

*Activities on the floor of the NSE were bearish in 2014.*

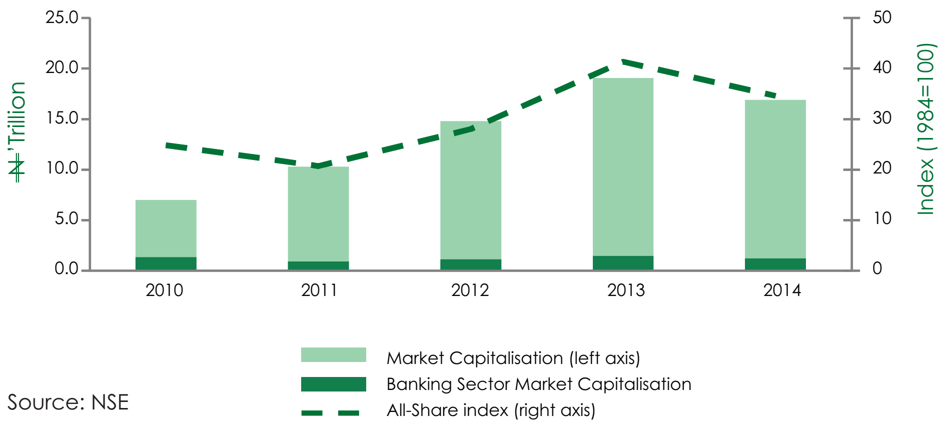
**4.5.2 The Nigerian Stock Exchange (NSE)**

Available data indicated that bearish sentiments prevailed for most part of the year as major market indicators trended downwards. Aggregate volume and value of traded securities declined by 59.4 and 43.1 per cent, respectively, at end-December 2014. Aggregate market capitalisation of the 253 listed securities (equities and debt) declined by 11.5 per cent to close at ₦16.88 trillion, compared with ₦19.08 trillion recorded at end-December 2013. Market capitalisation of the 197 listed equities fell from ₦13.23 trillion in 2013 to close at ₦11.49 trillion and constituted 68.1 per cent of the aggregate market capitalisation. The development was attributed to the combined effect of several macroeconomic developments and steady divestment from the Nigerian market by foreign investors, following increased currency risk. The debt securities component, made up of Federal Government Bonds (₦4.70 trillion), sub-National Bonds (₦540.0 billion) and

Corporate Bonds/Debenture (₦140.0 billion), as well as Exchange Traded Funds (ETF) (₦4.0 billion), accounted for the balance. The small-cap stocks remained the best performers recording a 32.8 per cent growth, followed by the mid-cap stocks (23.5 per cent), while the large-cap stocks bore the brunt of the market decline recording a negative growth of 21.4 per cent.

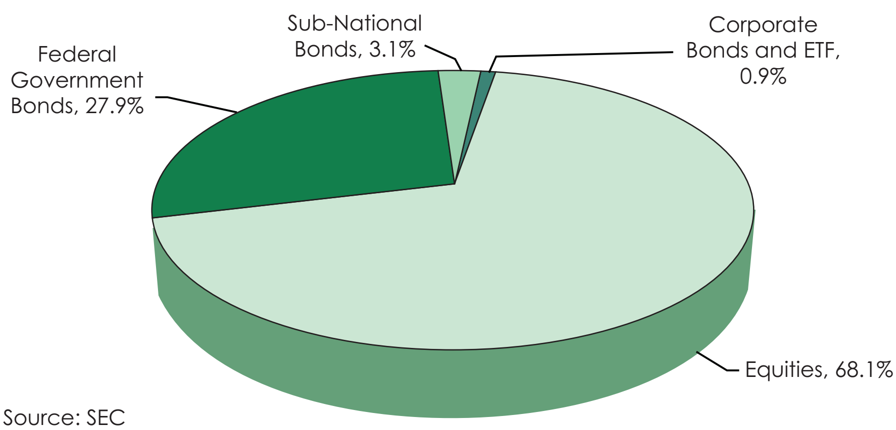
Aggregate market capitalisation as a percentage of the nominal GDP was 15.8 per cent, compared with 23.5 per cent in 2013. The ratio of the value of stocks traded to GDP stood at 1.5 per cent, compared with 2.9 per cent recorded in 2013, while the turnover value as a percentage of market capitalisation was 7.9 per cent, compared with 12.3 per cent in 2013.

**Figure 4.38: Trends in Market Capitalisation and NSE Value Index, 2010-2014**




Source: NSE

**Figure 4.39: Aggregate Market Capitalization (Per cent)**




Source: SEC

**Table 4.13: Indicators of Capital Market Developments in the Nigerian Stock Exchange (NSE), 2010 - 2014**

| | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| Number of Listed Securities | 264 | 250 | 256 | 254 | 253 |
| Volume of Stocks Traded (Turnover Volume) (Billion) | 93.3 | 90.7 | 104.2 | 267.3 | 108.3 |
| Value of Stocks Traded (Turnover Value) (Billion Naira) | 797.6 | 638.9 | 809.0 | 2350.9 | 1,334.8 |
| Value of Stocks Traded/GDP (%) | 1.5 | 1.0 | 1.1 | 2.9 | 1.5 |
| Total Market Capitalisation (Billion Naira) | 9,918.2 | 10,275.3 | 14,800.9 | 19,077.4 | 16,875.1 |
| *Of which: Banking Sector (Billion Naira)* | 2,710.2 | 1,839.3 | 2,251.3 | 2,939.9 | 2,367.0 |
| Total Market Capitalisation/GDP (%) | 18.01 | 16.06 | 20.40 | 23.51 | 15.8 |
| *Of which: Banking Sector/GDP (%)* | 4.9 | 1.8 | 3.1 | 3.62 | 2.2 |
| Banking Sec. Cap./Market Cap. (%) | 27.3 | 17.9 | 15.2 | 15.4 | 14.0 |
| Annual Turnover Volume/Value of Stock (%) | 15.0 | 14.2 | 12.9 | 11.4 | 8.1 |
| Annual Turnover Value/ Total Market Capitalisation (%) | 8.0 | 6.2 | 5.5 | 12.3 | 7.9 |
| NSE Value Index (1984=100) | 24,770.5 | 20,730.6 | 28,078.8 | 41,329.2 | 34,696.7 |
| ***Growth (In percent)*** | | | | | |
| Number of Listed Securities | -0.8 | -5.3 | 2.4 | -0.78 | -0.004 |
| Volume of Stocks | -9.3 | -2.8 | 14.9 | 156.5 | -59.4 |
| Value of Stocks | 16.3 | -19.9 | 26.6 | 190.6 | -43.1 |
| Total Market Capitalisation | 41.0 | 3.6 | 44.0 | 28.9 | -11.5 |
| *Of which: Banking Sector* | 21.1 | -32.1 | 22.4 | 30.6 | -19.5 |
| Annual Turnover Value | 16.3 | -21.9 | 5.7 | 11.4 | |
| NSE Value Index | 18.9 | -16.3 | 35.5 | 47.2 | -16.1 |
| Share of Banks in the 20 Most Capitalised Stocks in the NSE (%) | 80.0 | 40.0 | 45.0 | 30.0 | 30.0 |

Source: Securities and Exchange Commission

### 4.5.2.1 The Secondary Market

The secondary market segment of the NSE was bearish in 2014. The cumulative volume and value of shares traded stood at 108.5 billion and ₦1,338.6 billion, respectively, in 1,211,269 deals, compared with 267.4 billion and ₦2,350.9 billion, respectively, in 1,147,174 deals at end-December 2013.

*The secondary market segment of the NSE was bearish, while the bulk of the transactions remained in equities.*

The bulk of the transactions remained in equities, which accounted for 99.9 per cent of the turnover volume, value and number of deals, the same as in 2013. Transactions in the financial services sector stood at 81.3 billion shares (74.9%) valued at ₦693.1 billion (51.8%), followed by the conglomerates and consumer goods sector. The Industrial Loan, State Bond and Alternative Securities sub-sectors remained inactive during the review year. The banking sub-sector of the financial sector remained the most active (measured by volume) during the review period. There were six (6) banks in the twenty (20) most capitalised stocks in the NSE and accounted for 30.0 per cent of the capitalisation, same as in the preceding year.

**Figure 4.40: Share of Banks in the 20 Most Capitalized Stocks in the NSE, 2010 - 2014**


Source: NSE

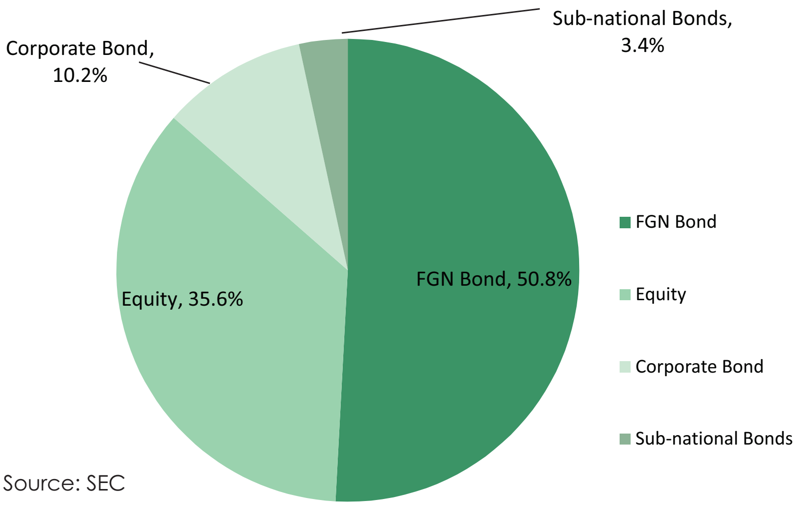
#### 4.5.2.2 The NSE Value Index

The Nigerian Stock Exchange (NSE) All-Share Index declined by 16.1 per cent to close at 34,657.15, compared with 41,329.19 in the preceding year. The development reflected, largely, the effect of the adoption of flight to quality and safety strategy by investors, due to the increasing uncertainty over the outcome of the political environment in the second half of 2014. Similarly, the NSE-30 Index fell by 18.0 per cent and closed the year at 1,563.22, compared with 1,907.17 at end–December 2013. Also, five of the seven sectoral indices, namely, the NSE Lotus Islamic Index, the NSE Banking Index, the NSE Consumer Goods Index, the NSE Industrial Index, and the NSE Insurance Index declined by 21.6, 21.5, 17.9, 15.9 and 2.1 per cent, to close at 2,243.89; 351.4; 903.54; 2,139.55 and 149.65, respectively. However, the NSE ASeM Index and the NSE Oil/Gas Index rose by 26.1 and 11.8 per cent to close at their respective levels of 1,213.36 and 380.11 at end-December 2014.

#### 4.5.2.3 The New Issues Market

The primary market segment recorded the first Initial Public Offering (IPO) since the market crash of 2008 with the dual listing of shares of Seplat Petroleum Development Company Plc on the NSE and the London Stock Exchange (LSE) in April 2014. Overall, in the market for new listings, there were a total of 18 listings, consisting of six (6) new equity and twelve (12) bond listings valued at ₦271.1 billion, compared with 11 listings valued at ₦286.8 billion in the preceding year. Further analysis of the new equity listings indicated that there were two (2) listings on the Main Board, one (1) on the ASeM, and three (3) on the ETFs. The development reflected further improvement in the market, indicating a return of confidence.

**Figure 4.41: New Issues by Sector, 2014 (Per cent)**




Source: SEC

# CHAPTER FIVE

## FISCAL POLICY AND GOVERNMENT FINANCE

*Nigeria's fiscal policy thrust in 2014 was aimed at achieving job creation and inclusive growth through the development of public infrastructure. At ₦10,068.9 billion or 11.3 per cent of GDP, the Federation Account revenue (gross) rose by 3.2 per cent above the level in 2013, despite the decline in oil revenue arising from the drop in crude oil prices in the international market, as well as incessant pipeline vandalism and theft, which adversely affected crude oil production and export. The development was attributed to the enhanced receipts from non-oil revenue sources. The sum of ₦7,540.3 billion, representing an increase of 0.7 per cent over the level in 2013, was retained in the Federation Account after statutory deductions. As a result, the Excess Crude Account (ECA) rose slightly from US$3.29 billion at end-December 2013 to US$3.32 billion at end-December 2014.*

*Consolidated expenditure of the general government was ₦10,184.2 billion, or 11.4 per cent of GDP, and aggregate revenue was ₦8,964.4 billion or 10.1 per cent of GDP. This resulted in an overall deficit of ₦1,219.8 billion or 1.4 per cent of GDP, which was financed largely from the domestic financial market. At ₦3,751.7 billion, Federal Government-retained revenue fell by 6.9 per cent, and aggregate expenditure at ₦4,587.4 billion also declined by 11.5 per cent below their levels in 2013. Consequently, the fiscal operations of the Federal Government resulted in an overall deficit of ₦835.7 billion, or 0.9 per cent of GDP. Provisional data on state governments and FCT finances indicated an overall deficit of ₦311.0 billion, or 0.3 per cent of GDP, while the local governments recorded a surplus of ₦0.9 billion.*

*Federal Government consolidated debt stock was ₦9,551.9 billion, or 10.7 per cent of GDP, at end-December 2014, compared with ₦8,506.4 billion, or 10.6 per cent of GDP, at end-December 2013. External debt stock rose by US$0.9 billion to US$9.7 billion, following additional drawdown of concessional loans from the multilateral institutions and "others" to finance critical infrastructure. Similarly, domestic debt grew by 11.0 per cent to ₦7,904.0 billion as a result of borrowing for the settlement of government contractual obligations. However, in tandem with the fiscal consolidation strategy of the Federal Government, the rate of debt accumulation[2] moderated to 12.3 per cent in 2014, from 12.5 per cent in 2013.*

[2]Rate of change in government debt stock from one period to another

## 5.1 THE FISCAL POLICY THRUST

The 2014 budget with the theme, "A Budget for Job creation and Inclusive Growth" was based on the need to tackle the problems of poverty and unemployment, which had remained prominent in the country. In this regard, the budget aimed at improving on the gains of economic growth by supporting job creation and gainful employment, developing and revitalising industrial capacity utilisation for increased domestic output, and enhancing infrastructure development. Thus, the budget was meant to foster the implementation of the Federal Government's long-term national objective of becoming one of the world's top twenty economies by the year 2020.

Specifically, the 2014 budget was structured to achieve the following:

- Create jobs and ensure inclusive growth through the development of infrastructure;
- Provide structural and financial support to key sectoral initiatives in agriculture, manufacturing, housing and construction, and the creative/ Nollywood industry;
- Create a wholesale development finance institution that would provide affordable medium to long-term financing to Nigerian entrepreneurs; and
- Engender peace and security across the country with emphasis on instituting a development programme for the North-East zone of the country.

## 5.2 FEDERATION ACCOUNT OPERATIONS

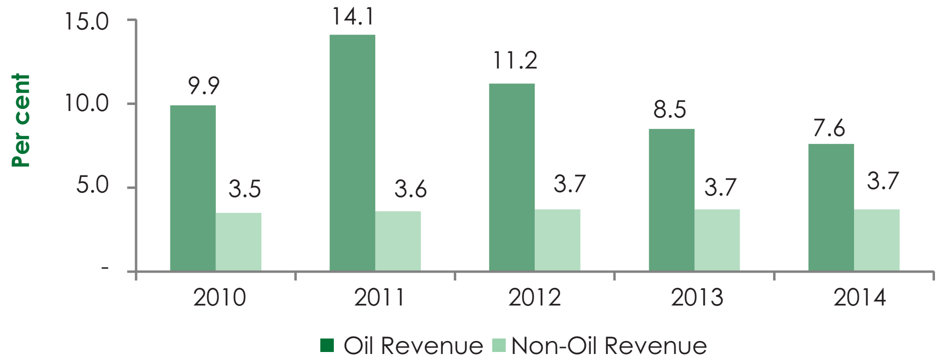
### 5.2.1 Federally-collected Revenue

Total federally-collected revenue[3] rose by 3.2 per cent to ₦10,068.9 billion in 2014 and constituted 11.3 per cent of GDP. The development was attributed to the improved receipts from non-oil revenue, particularly from Corporate Tax, which rose by ₦221.8 billion or 22.5 per cent. This was as a result of the enhanced effort by the Federal Inland Revenue Service (FIRS) at revenue collection during the period.

*Total federally-collected revenue rose by 3.2 per cent to ₦10,068.9 billion in 2014 and constituted 11.3 per cent of GDP.*

[3]Collections accrued into Federation Account

**Figure 5.1: Oil and Non-oil Revenue (per cent of GDP), 2010 - 2014**




Sources: Computed based on data from the Federal Ministry of Finance (FMF) and the Office of the Accountant General of the Federation (OAGF)

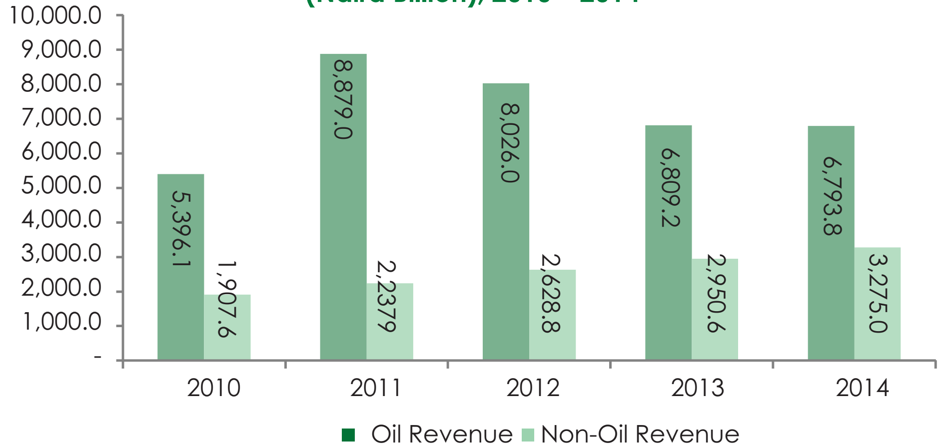
#### 5.2.1.1 Oil Revenue

Oil revenue (gross) stood at ₦6,793.8 billion or 7.6 per cent of GDP, representing 67.5 per cent of the total federally-collected revenue. This indicated a decline of 0.2 per cent below the level in 2013. A breakdown of oil revenue showed that revenue from domestic crude oil sales and petroleum profit tax (PPT)/royalties fell by 9.2 and 7.5 per cent to ₦1,370.6 billion and ₦3,439.6 billion, respectively. The development was attributed to the drop in the prices of crude oil in the international market, coupled with the decline in crude oil production and exports during the year. Specifically, the average price of crude oil decreased from US$107.97 per barrel in July to US$63.19 per barrel in December, while the value of exports dipped from ₦180.6 billion in March to ₦74.6 billion in December as a result of incessant pipeline vandalism and crude oil theft.

The sum of ₦1,223.7 billion was deducted from gross oil receipts for Joint Venture Cash (JVC) calls, ₦795.3 billion in respect of excess crude/PPT/royalty proceeds and ₦90.2 billion as "others"[4], leaving a balance of ₦4,684.6 billion for distribution to the three tiers of government.

[4]Includes Excess Oil Revenue and NNPC Refunds.

**Figure 5.2: Federation Account: Composition of Revenue (Naira Billion), 2010 – 2014**

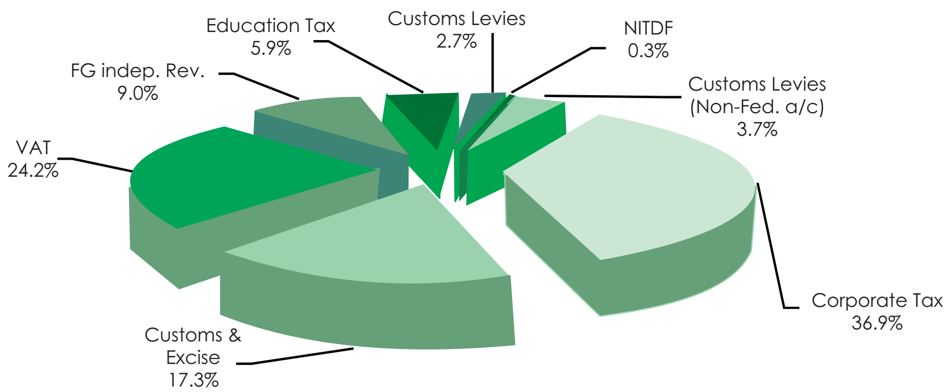



Sources: Computed based on data from the FMF and the OAGF

### 5.2.1.2 Non-oil Revenue

Non-oil revenue (gross) at ₦3,275.0 billion, or 3.7 per cent of GDP, accounted for 32.5 per cent of the total revenue, indicating 11.0 per cent increase over the level in 2013. A breakdown indicated that customs/excise duties, corporate tax (CT), and FG Independent Revenue rose by 30.6, 22.5 and 7.6 per cent to ₦566.2 billion, ₦1,207.3 billion, and ₦295.3 billion, respectively. However, value added tax (VAT) fell by 0.2 per cent to ₦794.2 billion, and "others"[5] declined by 10.7 per cent to ₦412.0 billion. The rise in most of the components of the non-oil revenue reflected the impact of the Federal Government directive which bolstered independent revenue, in addition to the enhanced effort of the revenue-collection agencies, particularly in the second half of the year.

**Figure 5.3: Composition of Non-oil Revenue, 2014**




Sources: Computed based on data from the FMF and the OAGF

[5]Includes Education Tax, Customs Special Levies (Federation and Non-Federation accounts), National Information Technology Development Fund (NITDF)

The sum of ₦419.3 billion was deducted from the non-oil revenue as cost of collection, leaving a distributable balance of ₦2,855.7 billion.

### 5.2.2 Federation Account Distribution

The sum of ₦7,540.3 billion, representing an increase of 0.7 per cent over the level in 2013, was retained in the Federation Account after statutory deductions. Of this amount, ₦762.4 billion, ₦295.3 billion, and ₦412.0 billion were transferred to the VAT Pool Account, FG Independent Revenue, and 'other transfers'[6], respectively, leaving a net revenue of ₦6,070.5 billion for distribution. In addition, the sums of ₦426.6 billion, ₦135.1 billion, ₦76.0 billion, and ₦23.0 billion were drawn from the excess crude account in respect of SURE-P[7], NNPC refunds[8], share of excess crude revenue, and exchange rate gain[9], respectively. Furthermore, the sum of ₦230.7 billion was drawn from the non-oil excess revenue[10]. These amounts totaling ₦891.4 billion were added to the federally-collected revenue (net) to raise the distributable balance to ₦6,961.9 billion.

Analysis of the distribution[11] among the three tiers of government showed that the Federal Government (including Special Funds) received the sum of ₦3,290.0 billion; state governments, ₦1,681.5 billion; and local governments, ₦1,296.2 billion; while the sum of ₦694.2 billion was shared among the oil-producing states as 13% Derivation Fund.

### 5.2.3 VAT Pool Account Distribution

At ₦762.4 billion, the sum transfered into the VAT Pool Account declined by 0.2 per cent from the level in 2013. Analysis of the distribution among the three tiers of government showed that the Federal Government (including the FCT) received ₦114.4 billion (15%), while state and local governments shared ₦381.2 billion (50%) and N266.9 billion (35%), respectively.

### 5.2.4 Cummulative Distribution

Cumulatively, the three tiers of government and the 13% Derivation Fund shared the sum of ₦7,724.4 billion from the Federation Account and VAT Pool Account in fiscal year 2014. This was below the preceding year's distribution and the 2014 budget estimate of ₦8,380.8 billion by 9.3 and 7.8 per cent, respectively.

---

[6]Includes the Education Tax, Customs Levies, and the National Information Technology Development Fund.

[7]Savings generated from partial removal of the petroleum subsidy administered under the Subsidy Reinvestment and Empowerment Programme (SURE-P).

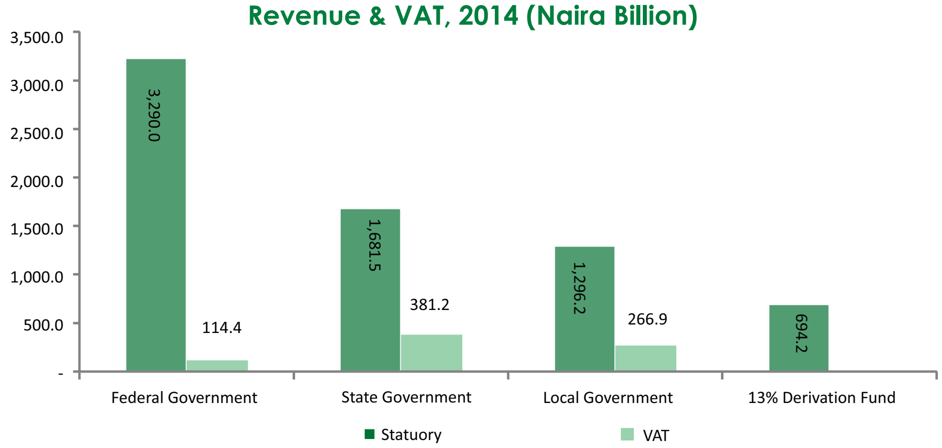
[8]Refund of NNPC owings to the three tiers of government, includes the share of additional revenue remitted by the NNPC in November & December, 2014.

[9]Share of difference between the projected and actual exchange rate in 2014. Also includes additional distribution to augment states and local governments' revenue in the month of October, 2014

[10]Represents share of the difference between the actual and budgeted non-oil revenue

[11]Federal (including special fund) (52.68%), state governments (26.72%) and local governments (20.0%)

**Figure 5.4: Cumulative Distribution of Statutory Revenue & VAT, 2014 (Naira Billion)**




Sources: Computed based on data from the FMF and the OAGF

## 5.3 GENERAL GOVERNMENT FINANCES

### 5.3.1 Aggregate Revenue

Provisional data showed that at ₦8,964.4 billion, the aggregate revenue of the general government in 2014 comprised the Federation Account, ₦6,070.5 billion; SURE-P, ₦426.6 billion; share of excess non-oil revenue, ₦230.7 billion; NNPC refunds, ₦135.1 billion; share of excess crude revenue, ₦76.0 billion; additional distribution to states and local governments, ₦17.0 billion; exchange gain, ₦6.0 billion; and VAT Pool Account, ₦762.5 billion. Others were Federal Government Independent Revenue, ₦295.3 billion; and 'other funds'[12], ₦52.0 billion. Revenue exclusive to the sub-national (state and local) governments included ₦833.7 billion, ₦54.9 billion, and ₦4.1 billion, from internally-generated revenue, grants, and state allocations to local governments, respectively.

[12]Includes unspent balances from the Federal Government budget and other receipts by state and local governments not classified elsewhere.

**Table 5.1: Sources of Funds for the Three Tiers of Government, 2014 (₦' Billion)**

| SOURCE | Federal Government | | | State Governments | | | Local Governments | Grand Total |
|---|---|---|---|---|---|---|---|---|
| | FG's Share | FCT | Sub-Total | States | 13% | Sub-Total | | |
| Statutory Allocation | 2,822.8 | 54.4 | **2,877.1** | 1,459.3 | 609.0 | **2,068.3** | 1125.1 | **6,070.5** |
| Share from Excess Non- Oil | 119.2 | 2.3 | **121.5** | 61.7 | 0.0 | **61.7** | 47.5 | **230.7** |
| Share from Excess Crude | 34.2 | 0.7 | **34.8** | 17.7 | 9.9 | **27.6** | 13.6 | **76.0** |
| Exchange Gain | 2.8 | 0.1 | **2.9** | 1.4 | 0.7 | **2.1** | 1.1 | **6.0** |
| NNPC Refunds 1/ | 57.1 | 1.1 | **58.2** | 34.9 | 15.1 | **50.0** | 26.9 | **135.1** |
| SURE-P | 191.8 | 3.7 | **195.5** | 99.2 | 55.5 | **154.7** | 76.5 | **426.6** |
| Share of VAT | 106.7 | 7.6 | **114.4** | 381.2 | - | **381.2** | 266.9 | **762.5** |
| Addition Distribution (States and LGCs) | 0.0 | 0.0 | **0.0** | 7.3 | 4.1 | **11.4** | 5.6 | **17.0** |
| FG Independent Revenue | 295.3 | - | **295.3** | - | - | **0.0** | - | **295.3** |
| Internally-Generated Revenue | - | 59.4 | **59.4** | 741.9 | - | **741.9** | 36.5 | **837.8** |
| *Less State Allocation to LG* | - | - | **0.0** | *4.1* | - | **4.1** | - | **4.1** |
| Net Internally-Generated Revenue | - | 59.4 | **59.4** | 737.8 | - | **737.8** | 36.5 | **833.7** |
| Grants | - | - | **0.0** | 43.8 | | **43.8** | 11.1 | **54.9** |
| Share of Stabilization Fund | - | - | **0.0** | 0.0 | | **0.0** | 0.0 | **0.0** |
| State Allocation to LG | - | - | **0.0** | - | - | **0.0** | 4.1 | **4.1** |
| Others | 52.0 | - | **52.0** | 0.0 | | **0.0** | - | **52.0** |
| **TOTAL** | **3,681.9** | **129.2** | **3,811.2** | **2,844.2** | **694.2** | **3,538.4** | **1,614.8** | **8,964.4** |

1/ Includes Additional Distribution of Revenue from NNPC

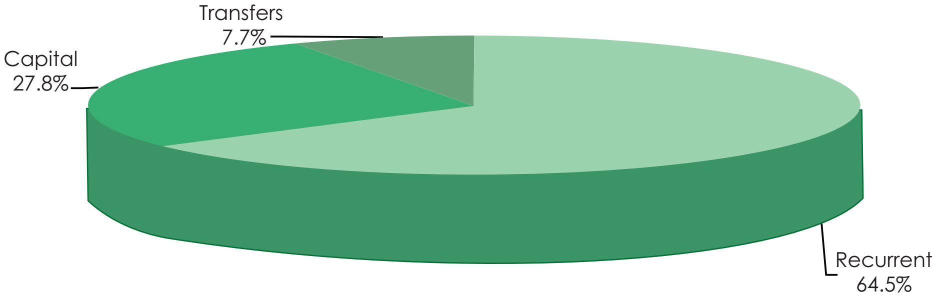
Sources: FMF, OAGF, and
CBN Sub-national Governments' Annual Fiscal Survey.

### 5.3.2 Aggregate Expenditure

At ₦10,184.2 billion, aggregate expenditure of general government declined by 7.7 per cent from the level in 2013. This was attributed to the low capital budget implementation due to the drop in revenue. As a proportion of GDP, it represented 11.4 per cent, compared with 13.8 per cent in 2013. A breakdown showed that recurrent expenditure, which stood at ₦6,574.6 billion (7.4% of GDP), accounted for 64.5 per cent of total, and capital expenditure at ₦2,826.9 billion (3.2% of GDP), represented 27.8 per cent. Transfers at ₦782.8 billion (0.9% of GDP), accounted for 7.7 per cent of the total.

*At ₦10,184.2 billion, aggregate expenditure of general government declined by 7.7 per cent from the level in 2013.*

**Figure 5.5: Composition of General Government Expenditure, 2014**




Sources: Computed based on data from the FMF and the OAGF

### 5.3.3 Consolidated Fiscal Balance and Financing

The fiscal operations of general government resulted in a primary deficit of ₦168.5 billion (0.2% of GDP), and an overall deficit of ₦1,219.8 billion (1.4% of GDP), compared with ₦1,386.5 billion (1.7% of GDP), respectively, in 2013. The deficit in the review year was financed, largely, with borrowing from domestic sources, namely, the banking system, non-bank public and other funds.

### 5.3.4 Consolidated Expenditure on Primary Welfare Sectors[13]

Consolidated general government spending on the primary welfare sectors indicated that provisional expenditure on education declined by 8.7 per cent from the level in 2013 to ₦1,287.6 billion and accounted for 12.6 per cent of total expenditure. However, expenditure on agriculture rose by 7.0 per cent to ₦281.8 billion, relative to the level in 2013. Expenditure on health also rose by 9.3 per cent to ₦639.9 billion relative to the level in 2013. Aggregate expenditure on the primary welfare sectors amounted to ₦2,209.3 billion or 2.5 per cent of GDP, and accounted for 21.7 per cent of the aggregate expenditure of the general government.

*Aggregate general government expenditure on education amounted to ₦1,287.6 billion, or 1.4 per cent of GDP, and accounted for 12.6 per cent of total*

## 5.4 FEDERAL GOVERNMENT FINANCES

### 5.4.1 Overall Fiscal Balance and Financing

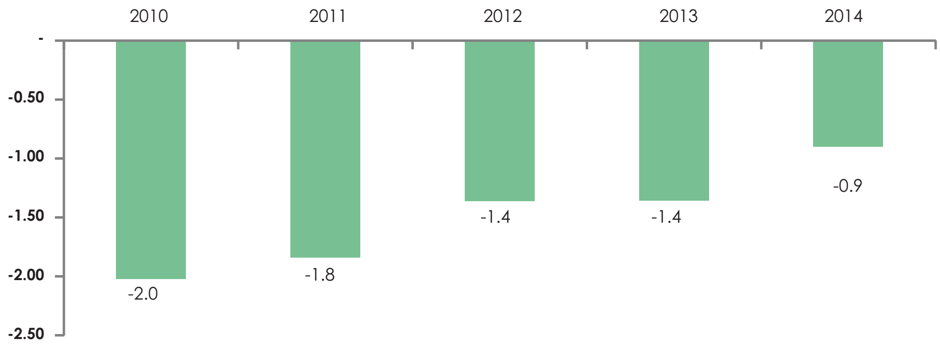
The current balance in 2014 reflected a lower surplus of ₦324.8 billion, or 0.4 per cent of GDP, compared with the ₦342.8 billion or 0.4 per cent of GDP in the preceding year. Similarly, the primary balance recorded a surplus of ₦106.0 billion, or 0.1 per cent of GDP, relative to the deficit of ₦325.4

*The overall fiscal operations of the Federal Government resulted in a notional deficit of ₦835.7 billion, or 0.9 per cent of GDP, compared with the deficit of ₦1,153.5 billion, or 1.4 per cent of GDP, recorded in 2013.*

[13]Classification for identifying poverty-reducing expenditures

billion, or 0.4 per cent of GDP in 2013. However, the overall fiscal operations of the Federal Government resulted in a lower deficit of ₦835.7 billion, or 0.9 per cent of GDP, compared with the deficit of ₦1,153.5 billion, or 1.4 per cent of GDP, in 2013. The deficit was within the WAMZ primary convergence criterion of 4.0 per cent. The overall budget deficit was financed mainly from domestic sources with FGN bond issuance accounting for ₦624.2 billion or 74.7 per cent of the total.

**Figure 5.6: Federal Government Fiscal Deficit, 2010 - 2014 (per cent of GDP)**




Sources: Computed based on data from the FMF and the OAGF

### 5.4.2 Federal Government-retained Revenue

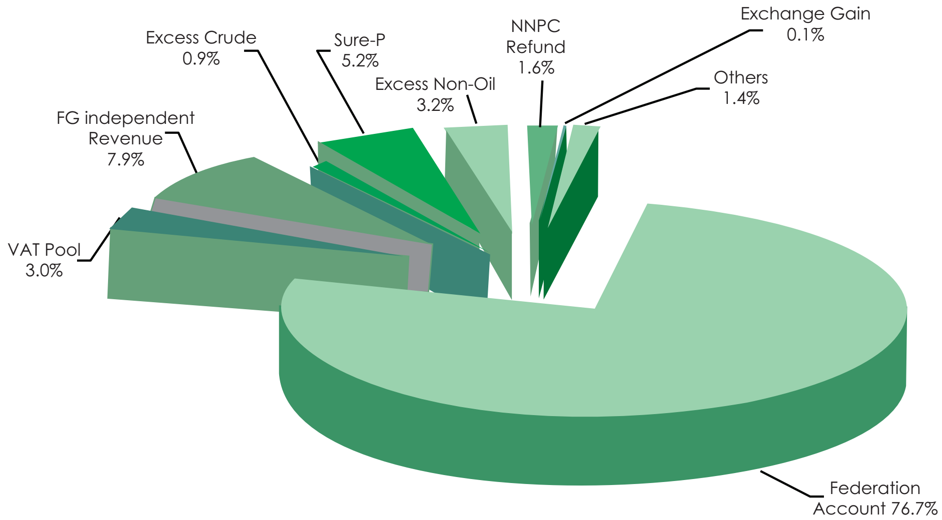
The Federal Government-retained revenue fell to ₦3,751.7 billion from ₦4,031.8 billion in 2013. Analysis of the revenue showed that the share of the Federation Account was ₦2,877.1 billion or 76.7 per cent of the total; the FG Independent Revenue was ₦295.3 billion (7.9%) and the VAT Pool Account amounted to ₦114.4 billion (3.0%). Others included shares from SURE-P, ₦195.5 billion (5.2%); the excess non-oil revenue, ₦121.6 billion (3.2%); NNPC refunds[14], ₦58.2 billion (1.6%); 'others'[15], ₦52.0 billion (1.4%); excess crude account, ₦34.8 billion (0.9%); while exchange gain accounted for the balance of ₦2.8 billion (0.1%).

*The Federal Government-retained revenue decreased to ₦3,751.7 billion, from ₦4,031.8 billion, in FY2013.*

[14]Includes share of additional revenue from NNPC

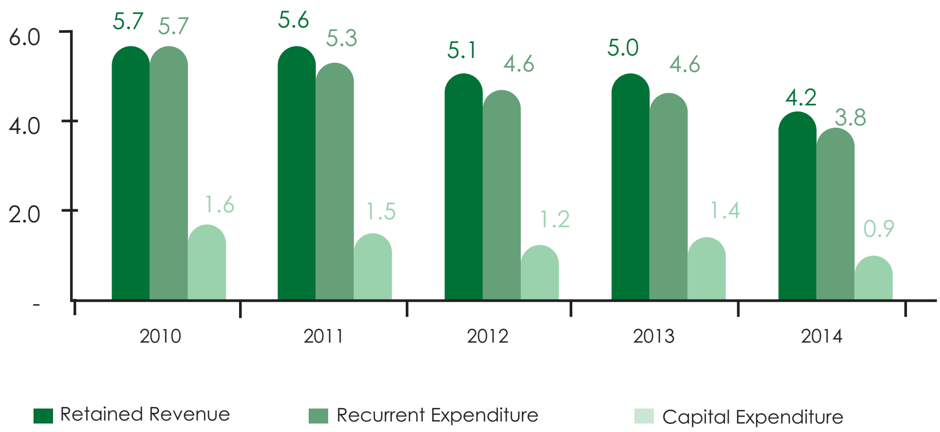
[15]Incudes FGN Balance of Special Accounts and unspent balances from previous year

**Figure 5.7: Composition of Federal Government-retained Revenue, 2014 (Per cent)**




Sources: Computed based on data from the FMF and the OAGF

**Figure 5.8: Federal Government Revenue and Expenditure, 2010 - 2014 (Per cent of GDP)**




Sources: Computed based on data from the FMF and the OAGF

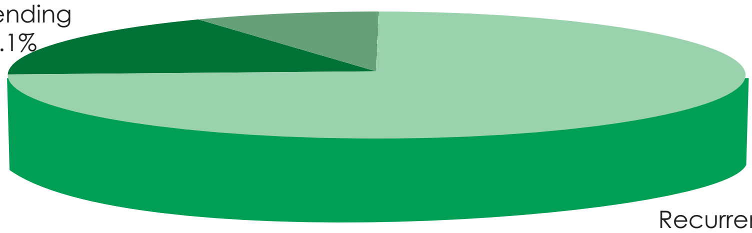
### 5.4.3 Total Expenditure of the Federal Government

The aggregate expenditure of the Federal Government decreased by 11.5 per cent to ₦4,587.4 billion in 2014. As a proportion of GDP, it fell to 5.2 per cent, compared with 6.5 per cent in the preceding fiscal year. The non-debt expenditure fell from the level in 2013 by 16.3 per cent to ₦3,645.7 billion. Total debt service amounted to ₦941.7 billion, or 1.1 per cent of

*Aggregate expenditure of the Federal Government declined by 11.5 per cent to ₦4,587.4 billion in FY2014 and contributed 5.2 per cent of GDP.*

GDP, representing 20.5 per cent of total expenditure and 25.1 per cent of total retained revenue.

**Figure 5.9: Composition of Federal Government Expenditure, 2014 (Per cent)**




Sources: Computed based on data from the FMF and the OAGF

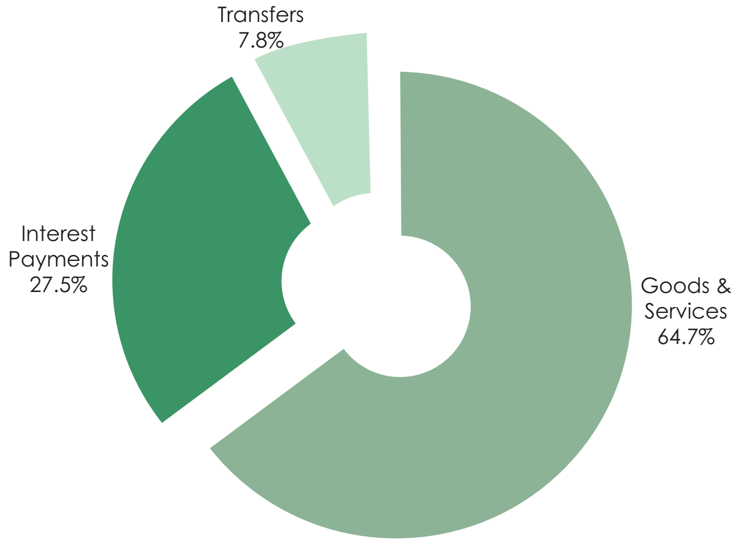
### 5.4.3.1 Recurrent Expenditure

At ₦3,426.9 billion, recurrent expenditure fell by 7.1 per cent below the level in 2013 and accounted for 74.7 per cent of the total. As a percentage of GDP, it contracted to 3.8 per cent from 4.6 per cent in 2013, reflecting the sustained policy stance to rationalise recurrent expenditure and optimise capital spending. A breakdown of recurrent expenditure revealed that interest payments[16] increased by 13.7 per cent from the level in 2013 to ₦941.7 billion (27.5% of the total), while the goods and services component fell by 7.1 per cent to ₦2,216.8 billion (64.7% of the total). In addition, transfers to the special funds (FCT, stabilisation fund, development of natural resources and ecological funds) and "others", including other statutory deductions, declined by 43.4 per cent to ₦268.4 billion (7.8% of the total). Analysis of the goods and services component showed that personnel cost and pensions amounted to ₦1,839.0 billion (83.0%) and overhead cost was ₦ 377.8 billion (17.0%). Furthermore, a breakdown of interest payments indicated that ₦ 61.3 billion was expended on external debt and ₦880.4 billion on domestic debt.

*Recurrent expenditure shrank to 3.8 per cent of GDP, reflecting the sustained policy stance to rationalise recurrent expenditure and optimise capital spending in FY2014.*

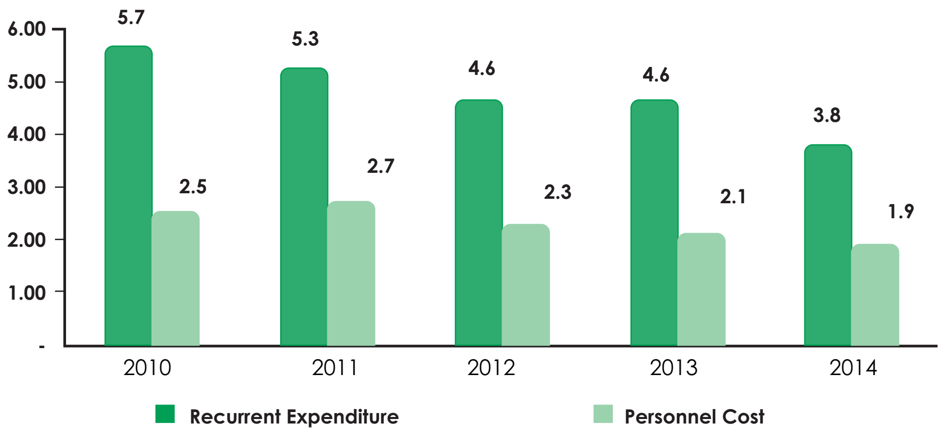
[16]Includes interest payments on ways and means.

**Figure 5.10: Economic Classification of FG Recurrent Expenditure, 2014 (Per cent)**




Sources: Computed based on data from the FMF and the OAGF

**Figure 5.11: Federal Government Recurrent Expenditure & Personnel Cost, 2010 - 2014 (Per cent of GDP)**

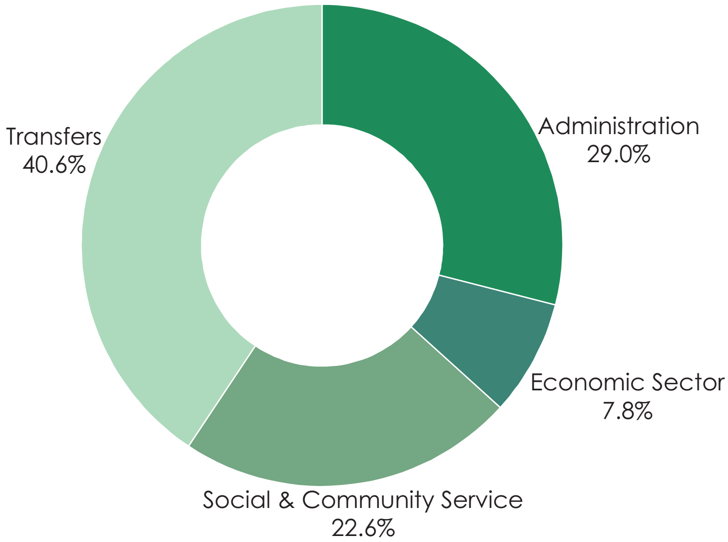



Sources: Computed based on data from the FMF and the OAGF

A functional classification of recurrent expenditure showed that outlay on administration declined by 10.7 per cent to ₦992.8 billion and constituted 29.0 per cent of the total. Similarly, expenditure on the economic sector, at ₦266.4 billion, fell by 8.5 per cent and accounted for 7.8 per cent of total recurrent expenditure. Within the economic sector, agriculture absorbed 13.8 per cent, while transport and communications as well as roads and construction collectively gulped 50.5 per cent. Furthermore, expenditure on the social and community services sector declined by 8.2 per cent to ₦774.8 billion and accounted for 22.6 per cent of the total, with education and health accounting for 44.4

and 25.3 per cent, respectively. However, at 40.6 per cent of total expenditure, transfer payments rose by 43.9 per cent from its level in 2013 to ₦1,392.9 billion.

**Figure 5.12: Functional Classification of Federal Government Recurrent Expenditure, 2014 (Per cent)**




Sources: Computed based on data from the FMF and the OAGF

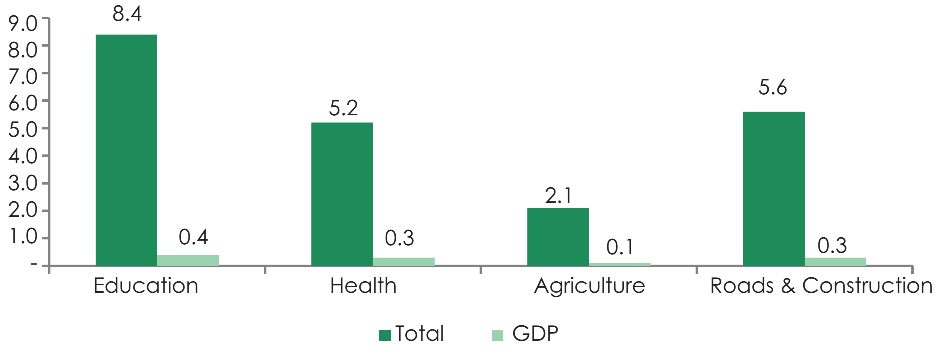
#### 5.4.3.2 Capital Expenditure

Capital expenditure fell by 29.3 per cent to ₦783.1 billion, or 0.9 per cent of GDP, in 2014 and accounted for 17.1 per cent of total expenditure, reflecting the low capital budget implementation due to the shortfall in budgeted revenue. As a proportion of Federal Government revenue, capital expenditure was 20.9 per cent, exceeding the stipulated minimum target of 20.0 per cent under the WAMZ secondary convergence criteria. Functional analysis of capital expenditure showed that outlays in the economic sector accounted for ₦393.4 billion, or 50.3 per cent of the total, compared with 45.6 per cent in the preceding year. Agriculture and natural resources and roads and construction absorbed 52.0 per cent of the sector's outlay. Expenditure on administration was ₦229.6 billion or 29.3 per cent, while public investment in social and community services amounted to ₦111.3 billion or 14.2 per cent of the total. Within the social and community services sector, education and health constituted 36.7 and 36.6 per cent, respectively. As a ratio of capital spending, expenditure on education rose to 5.2 per cent in 2014, from 3.2 per cent in the preceding year, and that on health increased to 5.2 per cent, from 2.9 per cent in 2013. Transfer payments amounted to ₦48.8 billion or 6.2 per cent of total capital spending.

*Capital expenditure declined by 29.3 per cent to ₦783.1 billion and accounted for 17.1 and 0.9 per cent of total expenditure and GDP, respectively.*

Analysis of Federal Government expenditure on the primary welfare sectors indicated that outlay on education declined by 9.7 per cent from the level in 2013 to ₦384.6 billion and accounted for 8.4 per cent of the total. However, expenditure on roads and construction, health, and agriculture rose by 27.7, 11.4 and 2.9 per cent, to ₦259.2 billion, ₦236.7 billion and ₦98.6 billion respectively, relative to their levels in 2013. Aggregate expenditure on the primary welfare sectors amounted to ₦979.1 billion, or 1.1 per cent of GDP, and accounted for 21.3 per cent of the total.

**Figure 5.13: Federal Government's Expenditure in Selected Primary Welfare Sectors, 2014 (Per cent of Total and GDP)**




Sources: Computed based on data from the FMF and the OAGF

## 5.5 STATE GOVERNMENTS AND FCT FINANCES[17]

### 5.5.1 Overall Fiscal Balance and Financing

*Provisional data on state governments' finances indicated an increase in the overall deficit to ₦311.0 billion, up from ₦141.4 billion in 2013.*

Provisional data on state governments' finances[18] showed that the overall deficit increased from ₦141.4 billion in 2013 to ₦311.0 billion in 2014. As a ratio of GDP, the deficit was 0.3 per cent and was financed, largely, through domestic sources.

### 5.5.2 Revenue

*Total revenue of the state governments decreased by 6.0 per cent to ₦3,672.0 billion, or 4.1 per cent of GDP.*

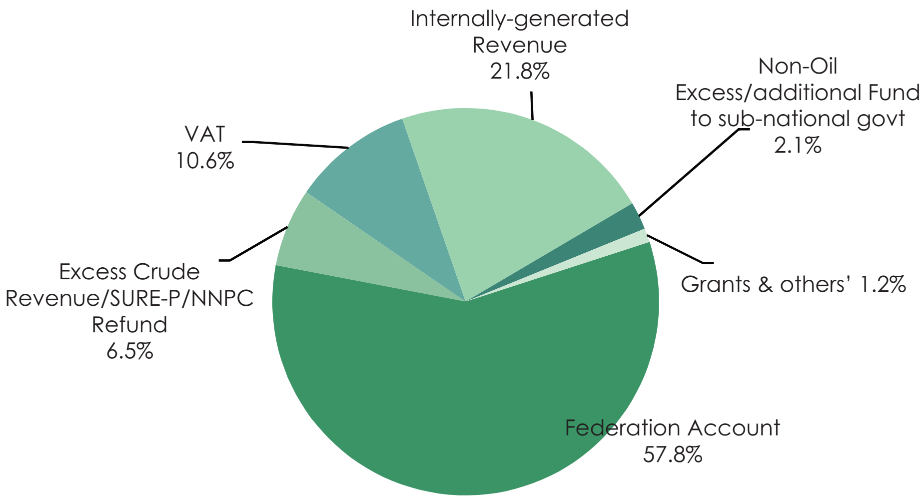
Total revenue of state governments decreased by 6.0 per cent to ₦3,672.0 billion, or 4.1 per cent of GDP, compared with ₦3,905.4 billion, or 4.9 per cent of GDP, in 2013. Analysis of the sources of revenue indicated that allocations from the Federation Account (including 13.0% Derivation Fund) was ₦2,122.9 billion, or 57.8 per cent; the VAT Pool Account was ₦388.9 billion, or

[17]Data from the CBN survey returns from 36 states and the FCT and the Federal Ministry of Finance.

[18]Includes the Federal Capital Territory (FCT)

10.6 per cent, while the Excess Crude Account[19] amounted to ₦239.8 billion or 6.5 per cent of the total. Also included was allocation from non-oil excess revenue[20] amounting to ₦75.4 billion, or 2.1 per cent, while 'Grants and Others' was ₦43.8 billion or 1.2 per cent. In addition, the internally-generated revenue (IGR) amounted to ₦801.3 billion, or 21.8 per cent, indicating an increase of 22.0 per cent above the level in 2013.

**Figure 5.14: State Governments and FCT Revenue, 2014 (Naira Billion)**




Sources: Computed based on data from the FMF and the OAGF

Analysis of the IGR in terms of tax efforts[21] showed that Lagos State ranked highest with 67.2 per cent, followed by FCT and Ogun State, with 45.9 and 39.6 per cent, respectively, while Katsina State ranked the least with 0.4 per cent. In terms of state governments' effort at improving internally-generated revenue[22], FCT topped, with an increased tax effort of 45.9 per cent, from 12.6 per cent in 2013, followed by Anambra and Taraba states in the second and third positions, respectively. Overall, the consolidated internally-generated revenue (tax) effort of the state governments rose to 21.8 per cent in 2014, from 16.8 per cent in 2013.

[19] Includes share of exchange gain, SURE-P and NNPC refunds.
[20] Includes States Share of additional Fund to Sub-national governments and stabilization fund
[21] Ratio of IGR to total revenue (IGR/TR)
[22] Rate of change of the IGR/TR ratio.

**Table 5.2: State Governments' Revenue**

| Item | State Governments' Revenue | | | | Share in Overall GDP | |
|---|---|---|---|---|---|---|
| | 2013 1/ | | 2014 2/ | | 2013 | 2014 |
| | Amount (₦' Billion) | Share (%) | Amount (₦' Billion) | Share (%) | % | % |
| Federation Account 3/ | 2,104.60 | 53.9 | 2,122.90 | 57.8 | 2.6 | 2.4 |
| Excess Crude Revenue 4/ | 677.44 | 17.3 | 239.80 | 6.5 | 0.8 | 0.3 |
| VAT | 389.53 | 10.0 | 388.85 | 10.6 | 0.5 | 0.4 |
| Internally-generated Revenue | 657.00 | 16.8 | 801.30 | 21.8 | 0.8 | 0.9 |
| Non-oil excess 5/ | - | - | 75.35 | 2.1 | 0.0 | 0.1 |
| Grants & Others | 76.80 | 2.0 | 43.80 | 1.2 | 0.2 | 0.0 |
| **Total** | **3,905.4** | **100.0** | **3,672.0** | **100.0** | **4.9** | **4.1** |

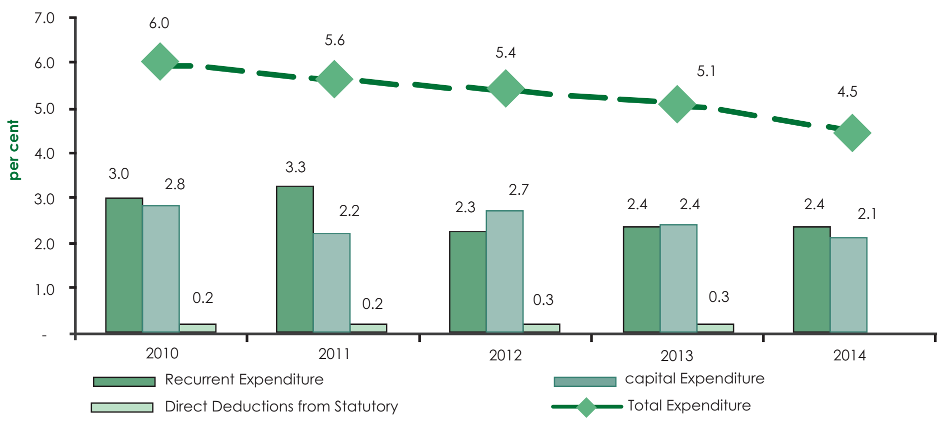
1/ Revised
2/ Provisional
3/ Including 13% Derivation Fund
4/ Including foreign exchange rate gain, SURE-P allocation, and refund to the state governments by the NNPC
5/ Including States' share of additional fund for the subnational governments and stabilization fund
Sources: FMF, OAGF and Fiscal Survey of Sub-national Governments

### 5.5.3 Expenditure

Estimated total expenditure of state governments decreased by 1.6 per cent to ₦3,983.0 billion, or 4.5 per cent of GDP. A breakdown showed that at ₦2,120.5 billion, or 2.4 per cent of GDP, recurrent expenditure was 8.8 per cent higher than the level in the preceding year and accounted for 53.2 per cent of the total.

*The total expenditure of state governments dropped by 1.6 per cent to ₦3,983.0 billion, or 4.5 per cent of GDP.*

**Figure 5.15: State Governments' Expenditure, 2010 - 2014 (per cent of GDP)**

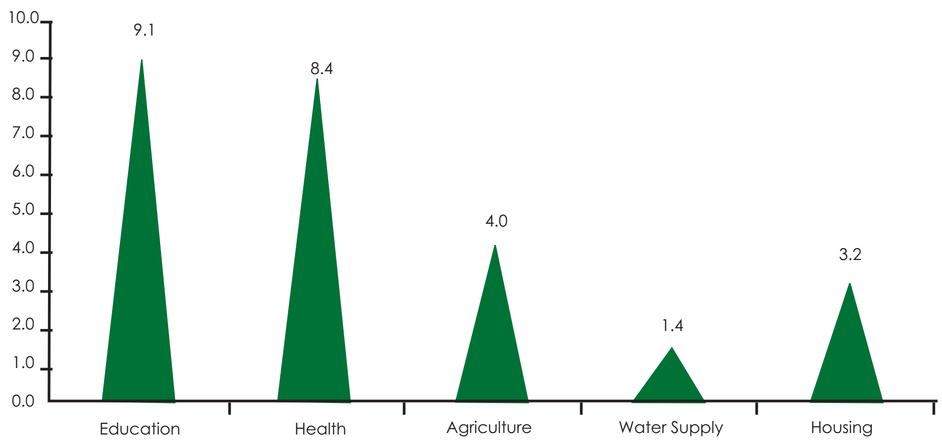



Source: Computed from CBN's Sub-national Governments' Annual Fiscal Survey

At ₦1,862.5 billion, or 2.1 per cent of GDP, the capital expenditure was 1.5 per cent below the level in 2013 and accounted for 46.8 per cent of the total. Analysis of spending on the primary welfare sectors indicated that expenditure on education declined by 8.8 per cent from the level in 2013 to ₦362.4 billion and accounted for 34.8 per cent of the total. Also, the expenditure on health, housing, and agriculture, rose by 47.4, 208.6, and 34.7 per cent to ₦336.5 billion, ₦126.3 billion, and ₦158.7 billion respectively, relative to their levels in 2013. However, expenditure on water supply fell by 15.2 per cent from the level in 2013 to ₦57.7 billion. On the whole, aggregate expenditure on the primary welfare sectors amounted to ₦1,041.6 billion, or 1.2 per cent of GDP, and accounted for 26.1 per cent of the total.

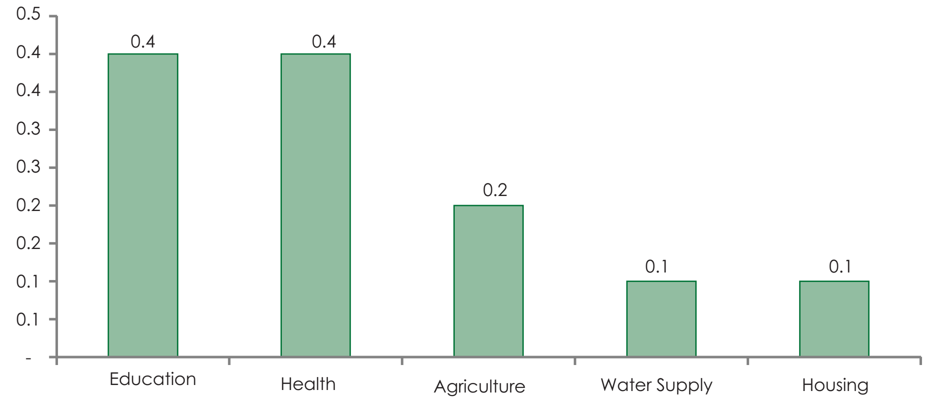
*Aggregate expenditure on the primary welfare sector amounted to ₦1,041.6 billion, or 1.2 per cent of GDP, and accounted for 26.1 per cent of the total.*

**Figure 5.16: State Governments' Expenditure in Selected Primary Welfare Sectors, 2014 (Per cent of Total Expenditure)**




Source: Computed from CBN's Sub-national Governments' Annual Fiscal Survey

**Figure 5.17: State Governments' Expenditure in Selected Primary Welfare Sectors, 2014 (Per cent of GDP)**




Source: Computed from CBN's Sub-national Governments' Annual Fiscal Survey

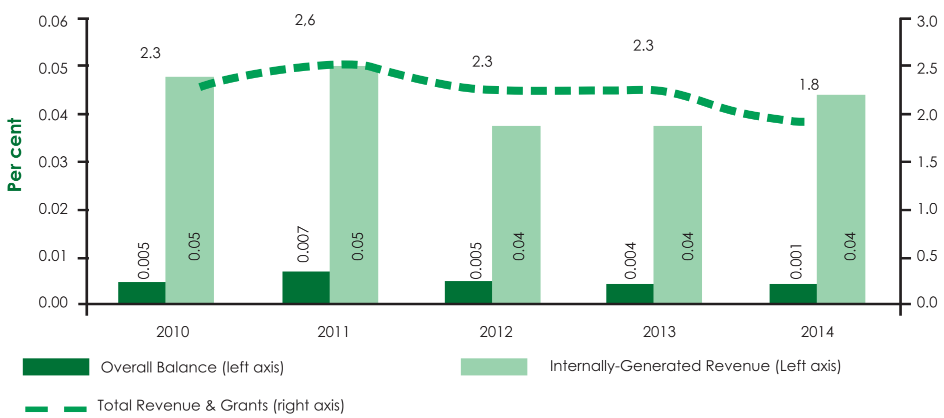
## 5.6 LOCAL GOVERNMENTS' FINANCES

*Provisional data on local governments' fiscal operations indicated a surplus of ₦0.9 billion or 0.001 per cent of GDP.*

### 5.6.1 Overall Fiscal Balance and Financing

Provisional data on local governments' fiscal operations indicated a surplus of ₦0.9 billion, compared with a surplus of ₦3.1 billion in 2013.

**Figure 5.18: Local Governments' Revenue & Overall Balance, 2010 - 2014 (Per cent of GDP)**




Sources: Computed based on data from the FMF and CBN's Sub-national Governments' Annual Fiscal Survey

### 5.6.2 Revenue

The estimated total revenue of local governments, at ₦1,614.8 billion, represented a decrease of 10.8 per cent below the level in 2013. The revenue comprised allocations from the Federation Account, ₦1,125.1 billion (69.7%) and VAT Pool Account, ₦266.9 billion (16.5%). Others included shares from SURE-P, ₦76.5 billion (4.7%); Non-oil Excess Revenue, ₦47.5 billion (2.9%); NNPC refunds[23], ₦26.8 billion (1.7%); Excess Crude Account, ₦13.6 billion (0.8%); grants/"others", ₦11.1 billion (0.7%); state allocation, ₦4.1 billion (0.3%); Exchange Gain, ₦1.1 billion (0.1%); and additional funds to local governments, ₦5.6 billion (0.3%). In addition, IGR accounted for ₦36.5 billion (2.3%), indicating an increase of 24.6 per cent above the level in 2013.

*The total revenue of local governments was estimated at ₦1,614.8 billion, indicating a decrease of 10.8 per cent.*

Analysis of the cumulative local governments' IGR on a state-by-state basis showed that Lagos State ranked the highest with 10.6 per cent of the total. Conversely, Imo and Abia ranked the lowest with 0.5 per cent of the total.

**Table 5.3: Local Governments' Revenue**

| Item | Local Governments' Revenue | | | | Share in Overall GDP | |
|---|---|---|---|---|---|---|
| | 2013 | | 2014 | | 2013 | 2014 |
| | Amount (₦' Billion) | Share in total (%) | Amount (₦' Billion) | Share in total (%) | % | % |
| Federation Account | 1,106.97 | 61.2 | 1,125.10 | 69.7 | 1.4 | 1.2 |
| VAT | 267.32 | 14.8 | 266.90 | 16.5 | 0.3 | 0.3 |
| Excess Crude Revenue | 83.19 | 4.6 | 13.60 | 0.8 | 0.1 | 0.0 |
| Budget Augmentation 1/ | 251.12 | 13.8 | 104.40 | 6.5 | 0.4 | 0.2 |
| Internally Generated Revenue | 29.29 | 1.6 | 36.50 | 2.3 | 0.0 | 0.0 |
| Grants and Others 2/ | 72.19 | 4.0 | 68.30 | 4.2 | 0.1 | 0.1 |
| **Total** | **1,810.1** | **100.0** | **1,614.8** | **100.0** | **2.3** | **1.8** |

1/: Includes Exchange Gain, SURE-P, and NNPC Refunds to LG

2/: Includes non-statutory allocations, share of non-oil excess, additional distributions to state and local governments and State allocations

Sources: FMF, OAGF and Fiscal Survey of Sub-national Governments

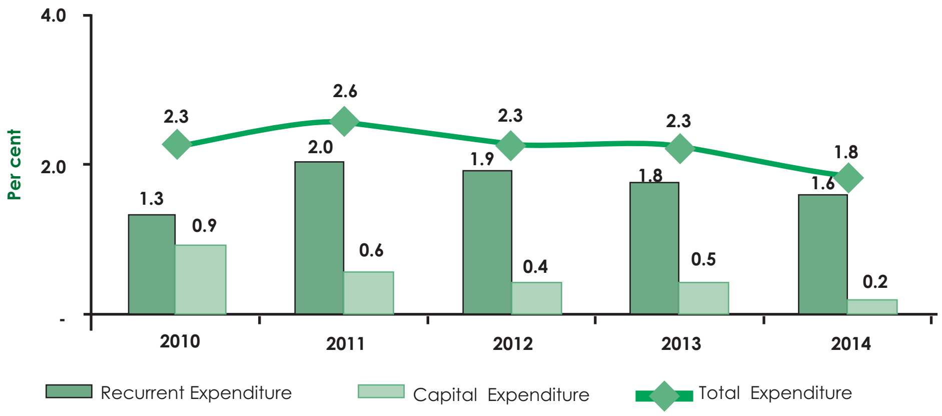
[23]Includes the distribution of N10.0 billion, being additional fund from NNPC and LGC's share of additional revenue to augment shortfall in subnational government revenue.

### 5.6.3 Expenditure

At ₦1,613.8 billion, estimated total expenditure of local governments decreased by 10.7 per cent below the level in 2013 and represented 1.8 per cent of GDP. A breakdown indicated that recurrent outlay stood at ₦1,432.6 billion or 88.8 per cent, while capital expenditure amounted to ₦181.2 billion or 11.2 per cent of the total.

*The expenditure of the local governments was 10.7 per cent lower than the level in 2013 and represented 1.8 per cent of the GDP.*

**Figure 5.19: Local Governments' Expenditure, 2010 - 2014 (per cent of GDP)**




Sources: Computed based on data from the FMF and CBN's Sub-national Governments' Annual Fiscal Survey

A disaggregation of recurrent expenditure showed that personnel cost was ₦1,082.5 billion (75.5% of the total), while overheads and consolidated fund charges/others amounted to ₦183.0 billion (12.8% of the total) and ₦167.1 billion (11.7% of the total), respectively. A breakdown of capital expenditure by function revealed that the share of social and community services was ₦48.1 billion (26.5%); administration, ₦51.2 billion (28.2%); economic services, ₦79.5 billion (43.9%); and transfers, ₦2.5 billion (1.4%).

Analysis of spending on the primary welfare sectors indicated that expenditure on water supply, health, agriculture and education fell by 74.3, 54.0, 50.7 and 8.0 per cent from the levels in 2013 to ₦6.2 billion, ₦66.8 billion, ₦24.5 billion, and ₦540.6 billion, respectively. However, expenditure on housing increased by 16.2 per cent to ₦40.1 billion relative to its level in 2013. Overall, aggregate expenditure on the primary welfare sectors declined by 19.3 per cent below the level in 2013 to ₦678.1 billion, or 0.8 per cent of GDP, and accounted for 42.0 per cent of total expenditure.

*Aggregate expenditure on the primary welfare sector declined by 19.3 per cent below the level in 2013 and accounted for 42.0 per cent of total expenditure.*

**Figure 5.20: Local Governments' Expenditure in Selected Primary Welfare Sectors, 2014 (Per cent of Total Expenditure)**

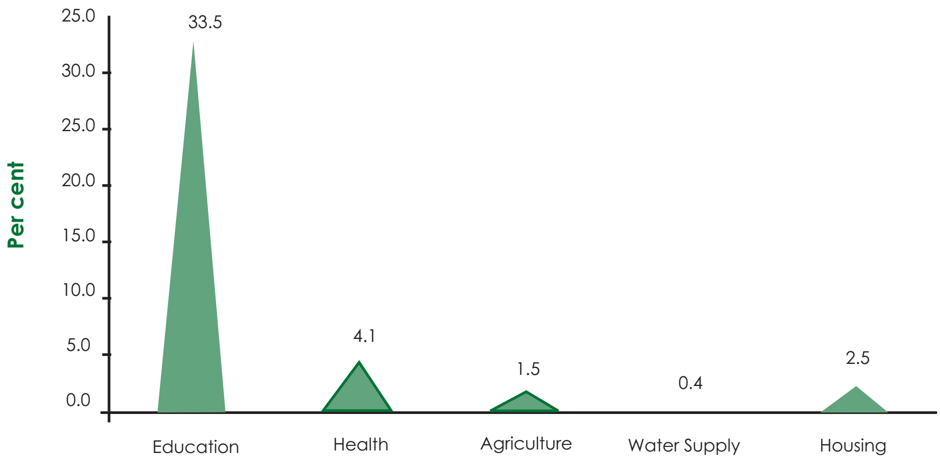
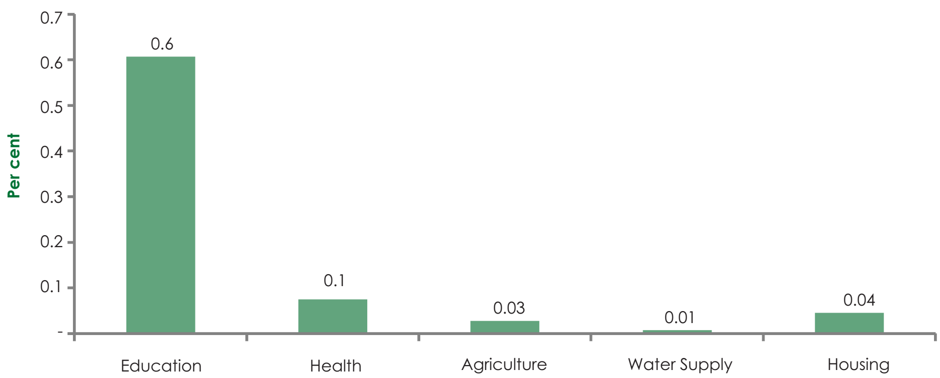



**Figure 5.21: Local Governments' Expenditure in Selected Primary Welfare Sectors, 2014 (Per cent of GDP)**




Sources: Computed based on data from FMF and CBN's Sub-national Governments' Annual Fiscal Survey

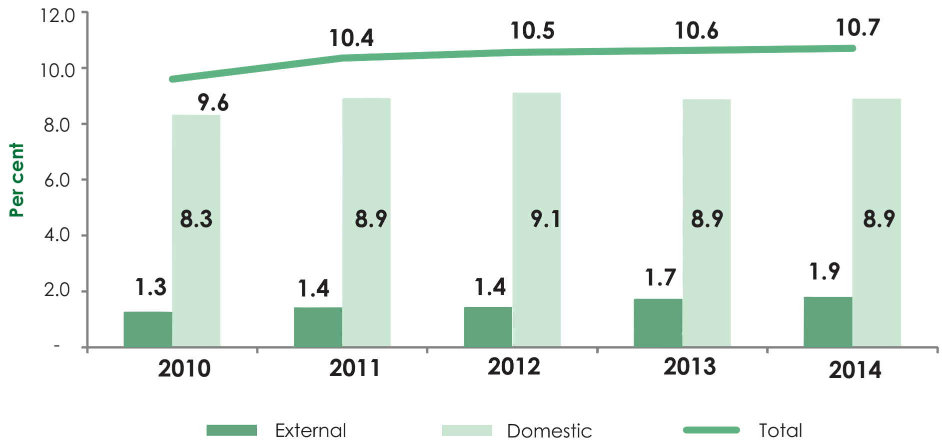
## 5.7 CONSOLIDATED FEDERAL GOVERNMENT DEBT

The consolidated Federal Government debt stock, at end-December 2014, was ₦9,551.9 billion, or 10.7 per cent of GDP, compared with ₦8,506.4 billion or 10.6 per cent of GDP in 2013. The increase reflected the additional drawdown of multilateral loans to finance infrastructure and the use of domestic loans for the settlement of contractual obligations. Analysis of the debt stock showed that the domestic component constituted 82.7 per cent, while external debt accounted for 17.3 per cent of the total.

5

FISCAL POLICY AND GOVERNMENT FINANCE

**Figure 5.22: Consolidated Public Debt Stock, 2010 - 2014 (Per cent of GDP)**




Sources: Computed based on data from the DMO and the CBN

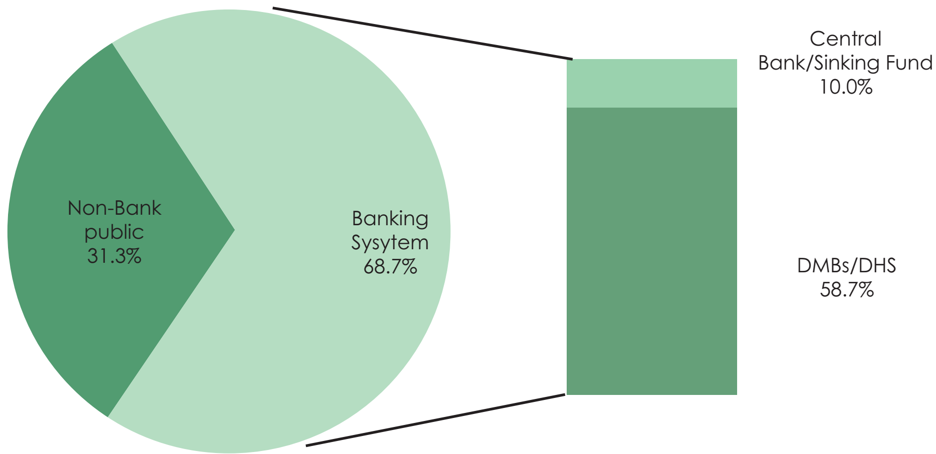
### 5.7.1 Domestic Debt

The stock of Federal Government domestic debt at end-December 2014 was ₦7,904.0 billion, representing an increase of 11.0 per cent over the level in 2013. The development reflected the significant borrowing through the issuance of additional FGN Bonds and Nigerian Treasury Bills. The banking system remained the dominant holder of the outstanding debt instruments with 68.7 per cent, and the non-bank public accounted for the balance of 31.3 per cent. A disaggregation of the banking system holdings indicated that ₦4,643.3 billion, or 85.6 per cent, was held by the DMBs and DHs, while ₦783.8 billion or 14.4 per cent was held by the Bank and the Sinking Fund.

Analysis of the maturity structure of domestic debt showed that instruments of two (2) years and below accounted for ₦4,882.8 billion, or 61.8 per cent, followed by instruments with tenors of 5 - 10 years, which amounted to ₦1,168.4 billion or 14.8 per cent; tenors of 2 - 5 years was ₦1,012.4 billion, or 12.8 per cent; and tenors of over ten (10) years was valued at ₦840.5 billion, or 10.6 per cent.

*The stock of Federal Government domestic debt outstanding at end-December 2014 stood at ₦7,904.0 billion, representing an increase of 11.0 per cent over the level in 2013.*

Figure 5.23 : Composition of Domestic Debt Stock by Holder, 2014




Source: Computed based on data from the DMO

### 5.7.2 External Debt

At US$9.7 billion, Nigeria's external debt grew by 10.1 per cent over the level at end-December 2013. The rise reflected the drawdown on additional multilateral loans, particularly IDA loans, amounting to US$0.6 billion. Consequently, the stock of IDA debt rose from US$5.3 billion in 2013 to US$5.9 billion and accounted for 60.3 per cent of the total external debt stock. Of this, outstanding debt to multilateral institutions, at US$6.8 billion, accounted for 70.0 per cent of the total, while Eurobond and bilateral debt at US$1.5 billion and US$1.4 billion accounted for 15.5 and 14.5 per cent, respectively.

### 5.7.3 Debt Service

Total debt service[24] stood at ₦920.8 billion, or 1.0 per cent of GDP, made up of ₦55.0 billion, or US$0.35 billion, for external debt and ₦865.8 billion for domestic debt.

The external debt service consisted of amortisation[25] of ₦30.8 billion, or 55.9 per cent, and interest payments of ₦24.2 billion, or 44.1 per cent. Domestic debt service indicated that amortisation stood at ₦19.2 billion, or 2.2 per cent, while interest payment was ₦846.6 billion, or 97.8 per cent of the total domestic debt service.

*The analysis of debt indicators revealed that at 10.7 per cent, the debt stock/GDP ratio remained low relative to the maximum international threshold of 30.0 per cent of GDP.*

[24]Represents actual debt service by the Debt Management Office which may differ from the figures in the Federal Government finances table that indicates contributions to the external creditors' fund.

[25]Principal Repayment

# CHAPTER SIX

## REAL SECTOR DEVELOPMENTS

*The growth momentum of the economy was sustained in 2014 as real Gross Domestic Product (GDP), measured at 2010 constant basic prices, rose by 6.2 per cent in 2014, compared with 5.5 per cent in 2013. Growth in the review period was driven, mainly, by the non-oil sector, which rose by 7.2 per cent. Oil sector output fell by 1.3 per cent due to domestic and global challenges. Analysis by sector showed that agriculture expanded by 4.3 per cent; construction, 13.0 per cent; industry, 6.0 per cent; trade, 5.9 per cent; and services, 7.1 per cent. Inflationary pressures were contained within the intended single digit in 2014. This development was attributed mainly to the efficacy of macroeconomic policies and an increase in agricultural production during the period.*

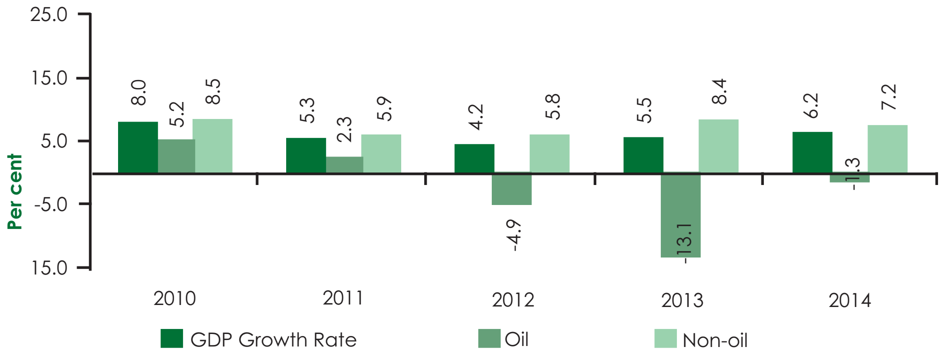
### 6.1 DOMESTIC OUTPUT

Provisional data from the National Bureau of Statistics (NBS) indicated that Gross Domestic Product (GDP), measured at 2010 constant basic prices, stood at ₦67.2 trillion in 2014. This indicated a growth of 6.2 per cent, compared with 5.5 per cent recorded in 2013. At 2.6 per cent, the services sector contributed the largest to growth in GDP. This was followed by industry with 1.2 per cent; agriculture, 1.0 per cent; trade, 1.0 per cent; and construction, 0.5 per cent.

*The Gross Domestic Product (GDP), measured at 2010 constant basic, prices stood at ₦67.2 trillion in 2014, indicating a growth rate of 6.2 per cent, compared with 5.5 per cent in 2013.*

The increase in domestic output in 2014 was attributed to on-going Federal Government's economic reforms, particularly the power sector reforms and the renewed effort to curb crude oil theft. Others included: the continued growth of the telecommunications sub-sector and favourable weather conditions which boosted agricultural output, complemented by the success of the Growth Enhancement Scheme (GES) which significantly enhanced access to critical inputs by farmers.

**Figure 6.1 GDP Growth Rate, 2010-2014**




Source: National Bureau of Statistics (NBS)

**Table 6.1 : Sectoral Contribution to Growth Rates of GDP at 2010 Constant Basic Prices (percentage points)**

| Activity Sector | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| **1. Agriculture** | **2.4** | **0.7** | **1.6** | **0.7** | **1.0** |
| Crop Production | 2.2 | 0.6 | 1.6 | 0.5 | 0.9 |
| **2. Industry** | **1.2** | **1.5** | **0.3** | **-0.02** | **1.23** |
| Crude Petroleum | 0.9 | 0.4 | -0.7 | -1.8 | -0.2 |
| **3. Construction** | **0.2** | **0.5** | **0.3** | **0.5** | **0.5** |
| **4. Trade** | **2.0** | **1.2** | **0.4** | **1.1** | **1.0** |
| **5. Services** | **2.1** | **1.4** | **1.7** | **3.2** | **2.6** |
| Information & Communications | 1.3 | 0.2 | 0.3 | 0.9 | 0.8 |
| **TOTAL (GDP)** | **8.0** | **5.3** | **4.2** | **5.5** | **6.2** |
| **NON-OIL (GDP)** | **8.5** | **5.9** | **5.8** | **8.4** | **7.2** |

Source: NBS

The non-oil sector remained the growth pole of the economy. Non-oil GDP increased by 7.2 per cent in 2014, compared with 8.4 per cent in 2013. The performance of the sector was driven mainly by the construction sector which grew by 13.0 per cent. Other drivers of growth of non-oil GDP included services, industry, trade, and agriculture with respective rates of 7.1, 6.0, 5.9 and 4.3 per cent. The services sector witnessed increased activities in accommodation and food services; arts, entertainment and recreation; human health and social services; education; finance and insurance; and information and communications sub-sectors, which increased by 18.3, 14.9, 10.5, 8.9, 8.1 and 7.0 per cent, respectively. The industrial sector was driven by the robust activities in the solid minerals and manufacturing sub-sectors which grew by 14.9 and 14.7 per cent, respectively. Growth in the agricultural sector resulted mainly from favourable weather conditions and the implementation of the GES which guaranteed timely supply of inputs, particularly fertilizers.

**Table 6.2 : Sectoral Growth Rates of GDP at 2010 Constant Basic Prices (Per cent)**

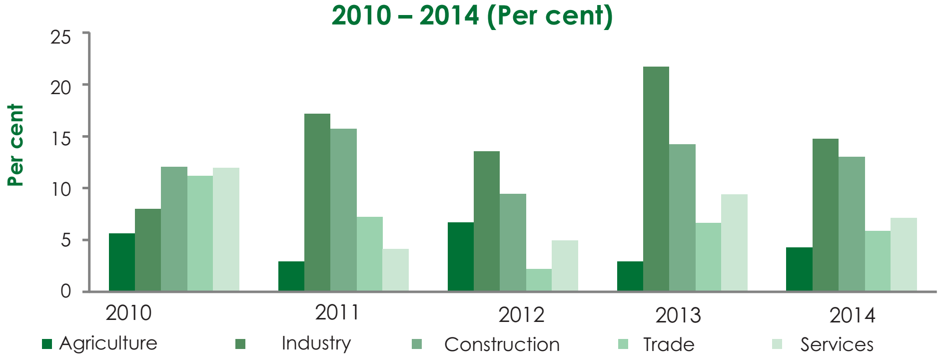
| Activity Sector | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| **1. Agriculture** | **5.8** | **2.9** | **6.7** | **2.9** | **4.3** |
| Crop Production | 5.8 | 2.9 | 7.5 | 2.5 | 4.1 |
| Livestock | 6.5 | 2.0 | -2.7 | 6.0 | 5.4 |
| Forestry | 5.8 | 5.0 | 2.6 | 5.6 | 4.6 |
| Fishing | 6.0 | 8.3 | 7.8 | 9.0 | 6.7 |
| **2. Industry** | **5.8** | **7.0** | **1.2** | **-0.1** | **6.0** |
| Crude Petroleum | 5.3 | 2.3 | -5.0 | -13.1 | -1.3 |
| Solid Minerals | 12.1 | 14.5 | 19.7 | 16.5 | 14.9 |
| Manufacturing | 7.6 | 17.8 | 13.5 | 21.8 | 14.7 |
| **3. Construction** | **11.9** | **15.7** | **9.4** | **14.2** | **13.0** |
| **4. Trade** | **11.2** | **7.2** | **2.2** | **6.6** | **5.9** |
| **5. Services** | **11.9** | **4.1** | **5.0** | **9.4** | **7.1** |
| Transport | 6.7 | 6.0 | -3.4 | 3.8 | 4.4 |
| Information & Communications | 34.4 | 2.2 | 3.1 | 8.2 | 7.0 |
| Utilities | 3.3 | 32.5 | 13.0 | 18.8 | -3.3 |
| Accomodation & Food services | 12.0 | 9.2 | 15.9 | 73.9 | 18.3 |
| Finance & Insurance | 4.0 | -26.9 | 21.0 | 8.6 | 8.1 |
| Real Estate | 10.4 | 0.4 | 5.7 | 12.0 | 5.1 |
| Human Health & Social Services | 9.6 | 13.0 | 4.3 | 9.6 | 10.5 |
| **TOTAL (GDP)** | **8.0** | **5.3** | **4.2** | **5.5** | **6.2** |
| **NON-OIL (GDP)** | **8.5** | **5.9** | **5.8** | **8.4** | **7.2** |

Source: NBS

**Figure 6.2: Sectoral Share in GDP, 2010 - 2014**


Source: NBS

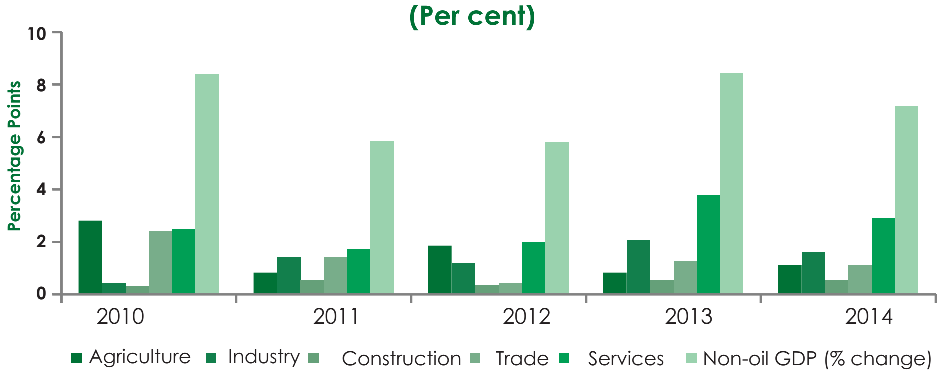
**Figure 6.3: Growth Rate of Major Sectors of Non-oil GDP, 2010 – 2014 (Per cent)**




Source: NBS

The Services sector accounted for the highest share of 36.2 per cent of total real GDP in 2014, compared with 35.9 per cent in 2013. Within the services sub-sector, information and communications; real estate; professional, scientific and technical services; finance and insurance; and utilities accounted for 10.8, 7.7, 3.6, 3.0 and 0.6 per cent of total GDP, respectively. The manufacturing and solid minerals components of the industrial sector had respective shares of 10.0 and 0.1 per cent in 2014, compared with 9.2 and 0.1 per cent in the previous year. The share of agriculture in total GDP was 22.9 per cent in the year under review, compared with 23.3 per cent in 2013.

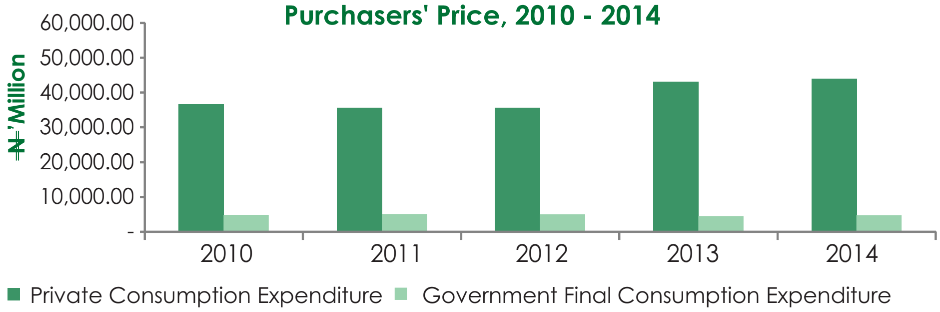
**Figure 6.4: Contribution to Growth Rate of Non-oil GDP, 2010 – 2014 (Per cent)**




Source: NBS

At ₦59,191.8 billion in 2014, data from the National Bureau of Statistics revealed that real domestic demand, at 2010 purchasers' price (GDP by Expenditure), rose by 4.2 per cent relative to ₦56,813.6 billion in 2013. Private consumption and government final consumption expenditure stood at ₦43,926.5 billion and ₦4,694.8 billion, respectively, compared with ₦43,048.3 billion and ₦4,445.0 billion in 2013. Government final consumption expenditure rose by 5.6 per cent, while private consumption rose by 2.0 per cent in 2014. Net exports stood at ₦8,237.1 billion in 2014, representing an increase of 24.7 per cent over the level of ₦6,607.4 billion in 2013. Real investment (gross fixed capital formation) stood at ₦10,570.5 in the period under review, representing an increase of 13.4 per cent over the level in the preceding year.

**Figure 6.5: GDP (Expenditure Approach) at 2010 Purchasers' Price, 2010 - 2014**




Source: NBS

## 6.2 AGRICULTURE

### 6.2.1 Agricultural Policy and Institutional Support

The Agricultural Transformation Agenda remained the major policy platform for intervention by the Federal Government in agriculture with the goal of food self-sufficiency in focus. To this end, the Government continued with the provision of incentives along the entire agricultural value chain under the Growth Enhancement Scheme (GES). Efforts were made to address emergent challenges in the course of programme implementation in the year.

The GES was expanded to reach additional 600,000 farmers with the disbursement of ₦14.0 billion in 2014, compared with ₦9.0 billion in 2013, for dry season farming. The scope of the Scheme was also expanded to provide subsidised electronic mechanisation support vouchers to farmers, which would be used to pay for the services of the Agricultural Equipment Hiring Enterprises (AEHE) with an inventory of over 590 units of tractors, 500 power tillers as well as harvest and post-harvest equipment. The AEHE initiative was conceived to upscale the level of mechanisation in Nigeria estimated at 0.03 horsepower per hectare, as against the 1.5 horsepower per hectare recommended by the Food and Agriculture Organisation (FAO).

The tariff regime and levy on imported rice were reviewed downwards for investors with rice milling capacity and verifiable backward integration programmes. This category of investors were to pay 10.0 per cent duty and 20.0 per cent levy, while rice traders would continue to pay 10.0 per cent duty and 60.0 per cent levy. The review was to address the challenge of idle milling capacity, with installed capacity outstripping paddy rice production, following huge investments in new mills in the country. The concession would remain in force until domestic output of paddy rice is sufficiently enhanced to meet installed milling capacity.

The drive for private sector participation received further boost in 2014 as huge new investments were attracted into the agricultural sector. The Federal Government signed an MoU with Dangote Industries for a US$1.0 billion investment in commercial rice farming and milling. A total of 150,000 hectares of farmland was acquired in Edo, Jigawa, Kebbi, Kwara and Niger states for paddy rice production. As part of the new investment, Dangote Industries would establish two large scale rice mills with a total capacity for 240,000 tonnes of paddy, with plans to double the capacity within two years. The farms and mills on completion would provide about 8,000 jobs.

The Elephant Group, a hitherto major importer of rice, embarked on large scale domestic production and processing of rice in 2014 with an equity investment of US$50.0 million. The Group was expanding production from the 1,000 hectare (ha) farm in Moniya, Ibadan to 11,000 ha, through the acquisition of 5,000 ha each in Guza and Baro, both in Niger State.

Furthermore, a 105,000 tonne integrated rice mill established by Olam Nigeria Ltd was commissioned by the President in Nassarawa State as part of efforts to enhance the quality and packaging of domestically milled rice.

In an effort to raise a new cadre of young farmers/agribusiness leaders otherwise called "Nagropreneurs" and reduce youth unemployment, the Federal Government launched two programmes: the Youth Employment in Agriculture Programme (YEAP) and the Fund for Agricultural Finance in Nigeria (FAFIN). Under YEAP, 750,000 youths would be recruited and trained to engage in commercial farming. The FAFIN, a collaborative initiative with the German Development Bank, KFW; the Nigerian Sovereign Investment Authority (NSIA); the Food and Agriculture Organisation (FAO) and other development partners, has a pool of US$100.0 million to support SMEs.

Pursuant to the objective of modernising agriculture to fill the missing link between agriculture and industrialisation, the first Staple Crops Processing Zone (SCPZ) was launched in Alape, Kogi State, on January 14, 2014 by the Federal Government to promote agro-processing clusters in high-food production areas across the country. Five (5) others were planned for Lagos, Kano, Niger, Anambra/Enugu and Rivers states. The SCPZs were designed to attract private sector investment in local production and processing of domestic agricultural produce and lead to the development of agro-industrial towns and the generation of employment.

### 6.2.2 Agricultural Production

The agricultural sector, with an aggregate production index of 121.0 (2010=100), recorded an impressive performance in 2014, as it grew by 4.3 per cent, compared with an index of 116.1(2010=100) at 2.9 per cent in 2013. Favourable weather and commitment to policy were the main drivers of growth in the sector. However, the national sectoral growth target of 8.0 per cent was not achieved. The sustained implementation of initiatives under Agricultural Transformation Action Plan (ATAP) has substantially enhanced access to critical farm inputs, and attracted huge investment from private sector entities to boost activities in the sector. The sector, however, continued to be plagued by insurgent activities in the north east of the country.

#### 6.2.2.1 Crop Production

Crop production grew by 4.1 per cent in 2014, compared with 2.5 per cent in the preceding year. Staples and 'other crops' increased by 4.1 and 4.7 per cent, respectively, compared with 2.3 and 4.3 per cent, in 2013. Further analysis revealed that cassava output increased by 4.4 per cent, as the cultivation of the crop spread to virtually all states of the Federation, including the FCT. Other factors that propelled growth were the high adoption rate of an improved variety of cassava cuttings and the incentive for the inclusion of cassava flour in bread making. Paddy rice production increased by 4.1 per cent, compared with 4.0 per cent in 2013, in response to the keen focus on the commodity in the quest for national self-sufficiency.

**Table 6.3: Growth in Major Crop Production (per cent)**

| Crop | 2013 | 2014 | Crop | 2013 | 2014 |
|---|---|---|---|---|---|
| Wheat | 2.3 | 2.6 | Plantain | 2.1 | 2.6 |
| Sorghum | 3.3 | 1.3 | Potatoes | 4.0 | 3.1 |
| Rice | 4.0 | 4.1 | Yam | 3.4 | 0.1 |
| Maize | 3.7 | 1.2 | Cassava | 3.8 | 4.4 |
| Millet | 2.6 | 1.1 | Rubber | 2.4 | 3.1 |
| Soya -Bean | 4.5 | 3.3 | Palm Oil | 2.2 | 4.1 |
| Beans | 3.2 | 1.7 | Cocoa | 4.7 | 3.4 |

Source: Staff estimates based on NBS data

#### 6.2.2.2 Livestock

Livestock production grew by 5.4 per cent in 2014, slightly lower than the 6.0 per cent growth recorded in the preceding year. Further analysis showed that poultry and beef production increased by 7.5 and 5.7 per cent, compared with their respective growth rates of 4.9 and 3.8 per cent in 2013. The growth was enhanced by new investments in the sub-sector during the year.

#### 6.2.2.3 Fishery

Fish output increased by 6.7 per cent in 2014, compared with the 9.0 per cent growth in 2013. A disaggregation by source showed that fish farming, catches from artisanal inland rivers/lakes, catches from artisanal coastal/brackish waters, and industrial (trawling) coastal fish and shrimps grew by 10.3, 9.0, 8.8 and 8.5 per cent respectively, compared with their respective levels of 7.7, 6.6, 7.6 and 2.9 per cent in the preceding year. Growth in the fishery subsector, driven largely by fish farming, was as a result of availability of fast-maturing fingerlings and Juveniles and improved knowledge of the business. Other factors that contributed to the growth was the decrease in losses and the high demand for catfish.

#### 6.2.2.4 Forestry

Forestry production increased by 4.6 per cent to 204.5 million cubic metres in 2014, from 195.6 million cubic metres in the preceding year. The growth in the period under review relative to 2013 was due to increasing government support to the sub-sector and sustained efforts at creating awareness of the dangers of deforestation in the country.

### 6.2.3 Agricultural Prices

The prices of Nigeria's agricultural export commodities recorded mixed developments in 2014. Out of the six commodities monitored, cocoa, copra and coffee recorded price increases of 25.6, 38.2 and 43.6 per cent, respectively. Conversely, the prices of soya beans, cotton, and palm oil declined by 11.5, 8.1 and 3.2 per cent, respectively. Overall, the aggregate agricultural index, in US dollar terms, stood at 96.2 (2010=100), representing an increase of 21.0 per cent above the level in 2013.

The increase in the price of cocoa was attributed largely to high demand and decline in output. The spread of crop diseases, market uncertainty and currency fluctuations contributed to increase in the prices of coffee and copra. Conversely, weak demand from Europe, arising from the austerity measures in some countries in the region and the strengthening of the United States dollar especially against the currencies of producing countries, contributed to a decline in the prices of other commodities.

In naira terms, the all-commodities price index increased by 21.9 per cent to 101.5 (2010=100) in 2014. The price indices of coffee, copra and cocoa increased by 44.7, 39.3 and 26.6 per cent, respectively. However, the price indices of soya beans, cotton and palm oil declined by 10.9, 7.5 and 2.6 per cent, respectively.

Available data indicated that the domestic producer prices of Nigeria's major cash crops rose in 2014, ranging from 2.5 per cent for tea to 41.0 per cent for coffee. The increase in the prices was in response to developments in the international commodities market. The price of palm kernel, however, decreased by 1.6, per cent and was attributed to a supply glut.

## 6.3 INDUSTRY

### 6.3.1 Industrial Policy and Institutional Support

Efforts to stimulate industrial growth and diversify the economy continued in 2014. To this end, the National Industrial Revolution Plan (NIRP) was launched. As a component of the NIRP, the Automotive Development Policy (ADP) commenced during the year. The policy galvanised activities in the sector with the signing of MoUs between each of the three (3) indigenous companies (Peugeot Automobile of Nigeria (PAN), Innoson Vehicle Manufacturers (IVM), and Volkswagen of Nigeria (VON)) and their respective foreign partners and the Federal Government to operate assembly plants for cars, buses and trucks. As an outcome of this arrangement, PAN and IVM resumed the assembly of vehicles, and VON started assembling Nissan and Hyundai vehicles.

During the review period, the Federal Government implemented the pre-shipment verification of conformity to standards for used vehicles imported into the country as provided in the ADP. Consequently, three (3) companies, Quality Assurance Projects Limited, Medtech Scientific Limited and Cotecna Destination Inspection Limited were accredited.

The National Sugar Master Plan recieved a boost with the incorporation of a backward integration plan, leveraging on the success of the cement sub-sector. The Flour Mill Nigeria Plc invested N45.0 billion in a sugar project in Niger State, while the Dangote Sugar Refinery invested about US$2.0 billion in Savannah Sugar in Adamawa State, and the HoneyGold Group invested US$300.0 million in Adamawa State.

In line with best practice, the Standard Organisation of Nigeria (SON) introduced three grades of cement, namely 32.5R for plastering; 3X or 42.5R for general purpose, and 52.5R for heavy construction.

The implementation of the Power Sector Roadmap was intensified in 2014. Various MoUs were signed, notably between the Federal Government and Chinese companies (₦640 billion) for the construction and rehabilitation of power transmission infrastructure across the country. The Federal Government concluded a public-private partnership arrangement worth US$6.4 billion for the construction of a new national power grid. The Government provided a counterpart funding of US$1.6 billion for the speedy execution of the project.

The sum of US$1.0 billion was earmarked to develop some fallow wells to boost gas supply in the country. Furthermore, the Ministry of Petroleum Resources and the National Electricity Regulatory Commission (NERC) approved a 38.9 per cent upward review in the price of gas to US$2.50 per Million Metric British Thermal Units (MMBTU), from US$1.80, effective January 1, 2015. Also, an additional cost of transportation of US$0.80 per MMBTU was approved.

The CBN established a ₦213 billion Nigeria Electricity Market Stabilisation Facility (NEMSF) in October 2014 to mitigate the current challenges facing the power and gas sector and fast-track the development of a viable and sustainable domestic energy market. Disbursement of funds under the Facility would be at 10.0 per cent interest rate per annum with a tenor of not more than 10 years and made through the DMBs. The NERC reviewed the Multi-Year Tariff Order (MYTO) to address the revenue shortfalls in the electricity market which would facilitate the repayment of the loan. The new tariff order would come into effect in 2015.

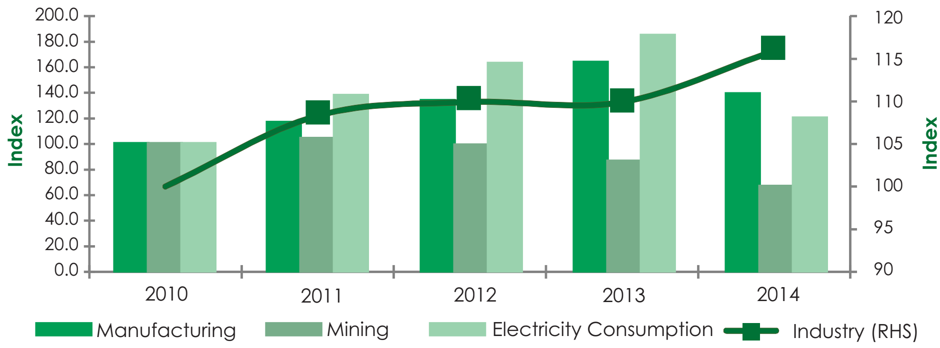
The Federal Government also launched the National Cotton, Textile and Garment Policy under the NIRP. The policy was aimed at reducing the current US$2.0 billion bill on imported textiles and garment, and also, targets increase in export earnings of at least US$3.0 billion annually. Other anticipated benefits include an increase in foreign direct investment (FDI) by ₦225.0 billion over the next five years and an expansion in the country's seed cotton production capacity from 300,000 MT in 2013 to 500,000 MT in 2015. The policy also allowed for a 2-year duty and VAT waivers for textile manufacturing between 2015 and 2019, as well as a 3-year tax holiday.

In 2014, efforts were intensified to promote renewable energy projects in a bid to diversify the energy mix and boost power supply. Consequently, the Federal Government finalised several agreements to boost solar power capacity in the country. Agreements were signed between the Government and Solius NGPC, Peoples Home Association, and Solar Force Nigeria Limited. These companies would set up a total of 1GW solar power capacity across the country.

### 6.3.2 Industrial Production

At 115.9 (2010=100), the industrial production index increased by 5.5 per cent in 2014 from its level in 2013. The sector's performance was attributed to increased investment in 2013 and improved macroeconomic conditions in 2014. The index of the manufacturing sub-sector recorded an increase of 14.7 per cent, while the indices of the mining and electricity sub-sectors fell by 12.5 and 9.4 per cent, respectively.

**Figure 6.6: Index of Industrial Production, 2010 – 2014 (2010=100)**

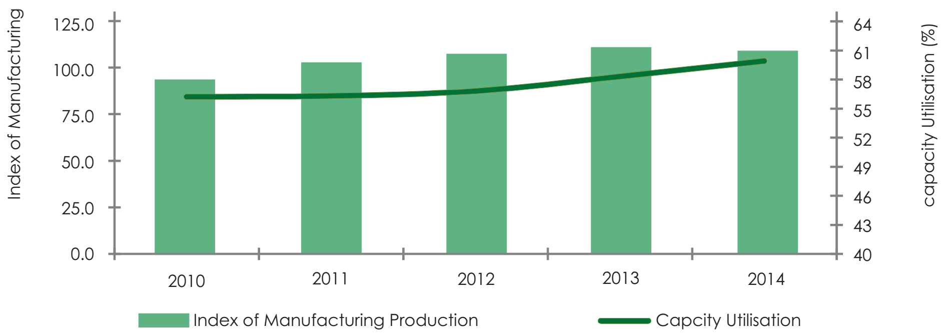



Source: CBN

#### 6.3.2.1 Manufacturing

The index of manufacturing production, estimated at 186.8 (2010=100), showed an increase of 14.7 per cent over the level in 2013. Similarly, the average capacity utilisation of the manufacturing sector in 2014 rose by 1.3 percentage point to 59.6 per cent. The improved performance in the cement and motor vehicle assembly sub-sectors accounted, largely, for the growth in the manufacturing sector. Other sub-sectors that contributed to the growth included: textile, apparel and footwear; and non-metallic products.

**Figure 6.7: Index of Manufacturing Production and Capacity Utilisation, 2010 - 2014**

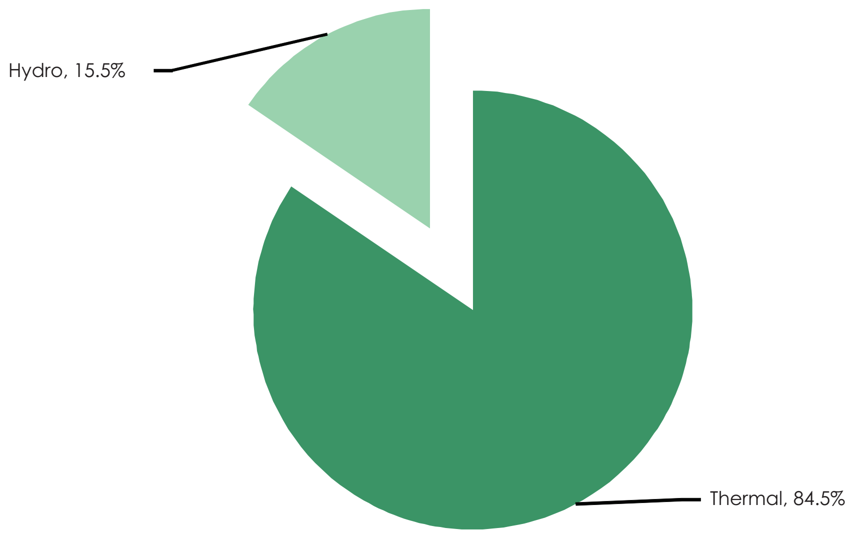



Source: CBN

### 6.3.2.2 Electricity Generation

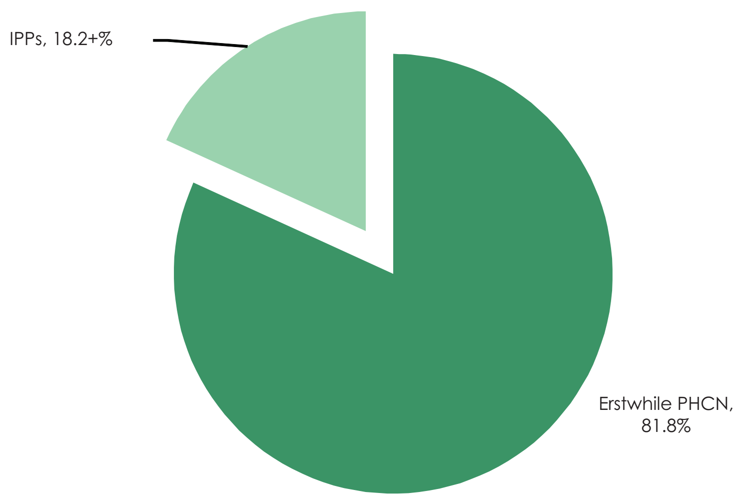
Total installed electricity generation capacity, which stood at 12,232 MW remained unchanged in 2014, compared with the level in 2013. A disaggregation of the installed capacity showed that thermal power and hydro-power accounted for 84.5 and 15.5 per cent, respectively. Analysis by holding showed that the erstwhile Power Holding Company of Nigeria (PHCN) had 81.8 per cent, while the Independent Power Plants (IPPs) accounted for the balance.

**Figure 6.8: Nigeria's Power System: Composition in 2014 by Source (Per cent)**




Sources: Ministry of Power and Presidential Task Force on Power (The Presidency)

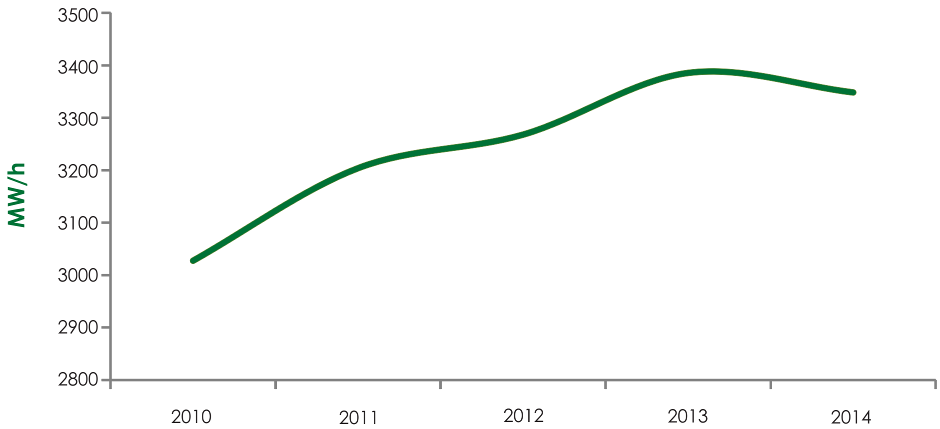
**Figure 6.9: Nigeria's Power System: Composition in 2014 by Holding (Per cent)**




Sources: Ministry of Power and Presidential Task Force on Power (The Presidency)

At 3,348.1MW/h, average electricity generation showed a decline of 1.1 per cent over the level attained in the preceding year. The fall in power generation was attributed to decline in gas supply, due to activities of vandals and a fall in generation from the Kainji Hydro Power Plant.

**Figure 6.10: Electricity Power Generation, 2010 – 2014**




Source: CBN

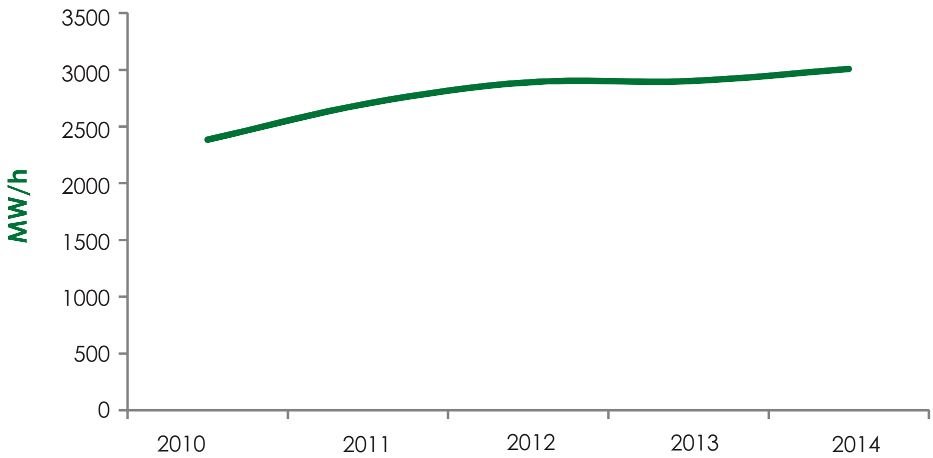
#### 6.3.2.3 Energy Consumption

The index of energy consumption, at 114.3 (2010=100), rose by 30.3 per cent, compared with the level in 2013. In absolute terms, aggregate energy consumed in 2014 stood at 15.7 million tonnes of coal equivalent (tce), compared with 12.8 million tce in the preceding year. All components of the basket contributed to the increase.

#### 6.3.2.3.1 Electricity Consumption

The average electricity consumption, which stood at 3,006.3 MW/h, increased by 3.7 per cent, compared with the level in the preceding year. The development was attributed to an improvement in transmission and distribution infrastructure. Total energy loss during transmission due to system breakdown was 11.4 per cent, compared with 16.8 per cent in 2013.

**Figure 6.11: Electricity Consumption, 2010 - 2014**




Source: CBN

**6.3.2.3.2 Hydropower Consumption**

At 2,557,031 tce, hydropower consumption declined by 15.2 per cent, over the level in 2013. The fall was due to low generation from the hydropower plants, with electricity generated falling by 24.2, 16.4 and 10.9 per cent at the Kainji, Shiroro and Jebba power plants, respectively.

### 6.3.3 The Extractive Industry

**6.3.3.1 Oil & Gas**

The Federal Government, in 2014, approved the initiative of modular refineries in the country to boost local supply of petroleum products, especially, household kerosene (HHK). The benefits of the new initiative include a short project cycle, low cost and greater flexibility of operation.

Efforts to improve petroleum product distribution in the downstream sub-sector was intensified in 2014. The rehabilitation of petroleum depots which continued in 2014 was expanded to include Enugu depot and Warri-Benin pipelines.

Also, the Federal Government announced a new gas price regime in 2014, to boost investment in the oil and gas sector and ensure competitiveness in pricing. Furthermore, the construction of the 1,860 km gas pipelines infrastructure network linking Calabar-Ajaokuta-Kano, commenced in the review period, and would improve the gas distribution infrastructure in the country.

## a. Crude Oil Production, Refinery Utilisation, Petroleum Products and Prices

### i. Crude Oil Production

Nigeria's aggregate crude oil production, including condensates and natural gas liquids, averaged 1.94 million barrels per day (mbd), or 708.10 million barrels (mb) in 2014, compared with 1.93 mbd or 704.45 mb in the preceding year. The marginal increase in crude oil production was due, largely, to improved surveillance by the Federal Government around oil installations in the Niger Delta area, which curtailed vandalism of pipelines and crude oil/products theft. Aggregate export of crude oil was estimated at 1.49 mbd or 543.85 mb, compared with 1.48 mbd or 540.20 mb in the preceding year.

### ii. Refinery Utilisation

The estimated average capacity utilisation of the country's three (3) refineries stood at 26.4 per cent in 2014, representing an increase of 2.2 percentage points over the level in 2013. A breakdown showed that the average capacity utilisation of the Kaduna Refining and Petrochemical Company (KRPC); the Warri Refining and Petrochemical Company (WRPC); and the Port Harcourt Refining Company (PHRC) was 26.4, 40.1 and 12.4 per cent, respectively.

Aggregate production of petroleum products from the refineries was estimated at 4.7 million tonnes in 2014, an increase of 2.2 per cent over the level in 2013. The rise in output was attributed to the increase in capacity utilisation, particularly at the KRPC and WRPC. Analysis of products by refinery showed that the WRPC produced 1.84 million tonnes, while PHRC and KRPC produced 1.87 and 0.99 million tonnes, respectively. Of the total, fuel oil accounted for the largest share at 29.2 per cent, while the shares of Premium Motor Spirit (PMS), Automotive Gas Oil (AGO), Dual Purpose Kerosene (DPK), Liquefied Petroleum Gas (LPG) and 'others' were 27.0, 23.4, 16.2, 3.5 and 0.7 per cent, respectively.

### iii. Petroleum Products Consumption

The volume of petroleum products consumed in 2014 was estimated at 5.61 billion litres. This represented an increase of 24.2 per cent, compared with 4.52 billion litres in 2013. A breakdown by product showed that PMS had the highest consumption, with 4.21 billion litres (75.0 %); AGO, 0.46 billion litres (8.2 %); DPK, 0.61 billion litres (10.9 %); Low Pour Fuel Oil (LPFO), 0.25 billion litres (4.4 %); and Asphalt & Others, 84.96 million litres (1.5 %).

*The average spot price of Nigeria's reference crude, the Bonny Light, (37°API) stood at US$100.74 per barrel in 2014, compared with an average of US$111.36 per barrel in 2013.*

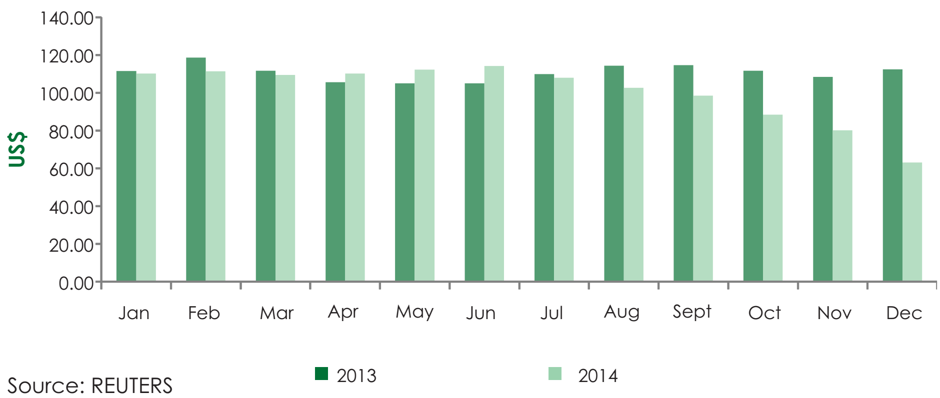
### iv. Prices

The average spot price of Nigeria's reference crude, the Bonny Light (370API), stood at US$100.74 per barrel in 2014, compared with the preceding year's average of US$111.36

per barrel, a decline of 9.5 per cent. The West Texas Intermediate (WTI) recorded a decrease of 3.4 per cent to an average of US$93.03 per barrel in 2014, while the UK Brent and Forcados related crudes recorded decrease of 8.5 and 10.0 per cent, respectively. The average price of the OPEC basket of 11 crude streams also fell by 9.0 per cent to US$96.29 per barrel in 2014.

Average crude oil prices started a downward trend in July 2014, from US$107.97 per barrel to US$98.50 per barrel in September 2014, and further to a 5-year low of US$55.57 per barrel at end-December, 2014. The fall in crude oil prices was attributed to increased shale oil production in the US, huge stock levels in Europe, which led to a supply glut, and the slow pace of economic activities in China and Russia.

**Figure 6.12: Bonny Light Monthly Prices in 2013 and 2014 (US$)**



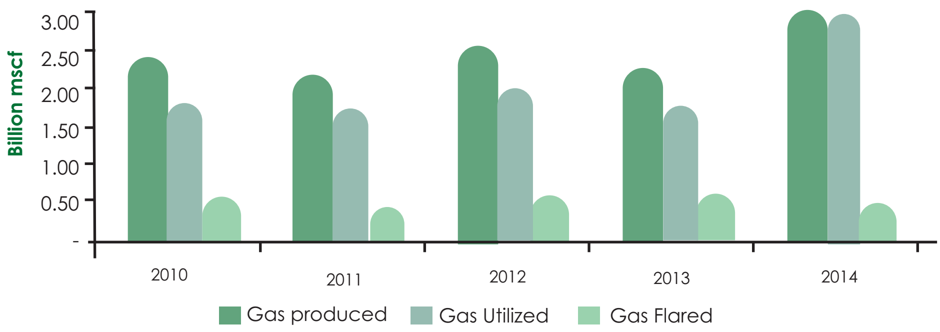

Source: REUTERS

**b. Gas**

**i Gas Production and Utilisation**

The total estimated volume of gas produced in 2014 stood at 3,425.64 million standard cubic feet (mscf), representing an increase of 47.3 per cent from the level in 2013. Of the total gas produced, 86.5 per cent was utilised, while 13.5 per cent was flared. Of the volume utilised, 21.2 per cent was sold to industries, including power, cement and steel companies; 32.7 per cent was re-injected; while gas lifted accounted for 2.9 per cent of the total. Gas sold to the Nigeria Liquefied Natural Gas (NLNG) Company, gas utilised as fuel, and gas converted to natural gas liquids accounted for 22.5, 5.9 and 1.3 per cent, respectively.

**Figure 6.13: Gas Production and Utilisation, 2010 – 2014 (Billion mscf)**




Source: NNPC

### 6.3.3.2 Solid Minerals

**a. Institutional Support for the Sector**

The solid minerals sector received a boost in 2014 following the commissioning of the National Geosciences Research Laboratories of the Nigerian Geological Survey Agency (NGSA). This was achieved through the collaborative efforts of NGSA, Cargo Defence Fund (CDF) and NEXIM Bank. The laboratories would enable miners in the country to conduct mineral tests locally, which would reduce their cost and give credence to minerals from Nigeria.

The Federal Executive Council submitted the Nigerian Metallurgical Industry Draft Bill 2014 to the National Assembly. The Bill provides a framework for regulating the operations of all metallurgical plants in Nigeria to ensure that metallurgical products and raw materials manufactured locally or imported into the country meet the required standards. The Bill also provides for the establishment of an inspectorate department that would enforce compliance with quality, safety and metallurgical environmental regulations.

**b. Solid Minerals Production**

Aggregate production of solid minerals increased in 2014 relative to the level in the preceding year. Provisional data showed that aggregate output rose slightly from 60.5 million tonnes in 2013 to 62.4 million tonnes, an increase of 3.1 per cent. The development was attributed to increased production of some principal minerals, especially granite aggregates, limestone, laterite, clay, marble aggregate, stone aggregate, gold, coal, barytes, lead/zinc, iron ore and cassiterite.

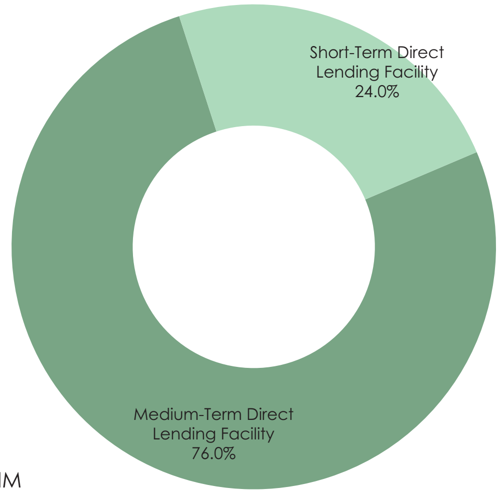
### 6.3.4 Industrial Financing

### 6.3.4.1 The Nigeria Export-Import Bank (NEXIM)

The total funding support provided to the non-oil export sector under the various facilities of NEXIM in 2014 was ₦8.47 billion for 53 projects, compared with ₦9.44 billion disbursed in

2013 for 49 projects. A breakdown of the disbursement by facility showed that 24.0 per cent and 76.0 per cent was disbursed for short-term and medium-term lending facilities, respectively.

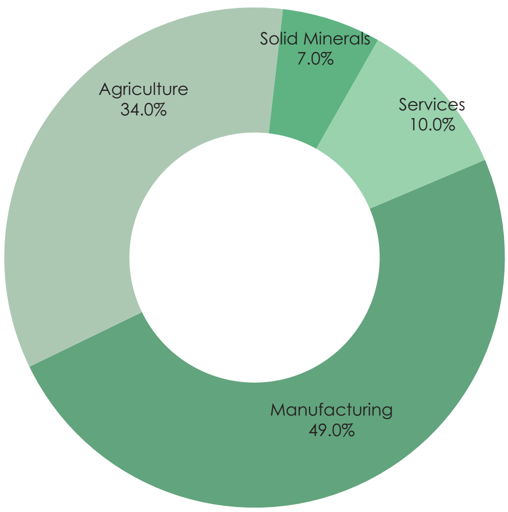
**Figure 6.14: Summary of NEXIM Disbursements by Facility, 2014 (per cent)**




Source: NEXIM

Analysis of sectoral disbursements showed that the manufacturing sector received ₦4.16 billion, representing 49.2 per cent of the total. This was followed by the agricultural sector with ₦2.88 billion or 34.0 per cent; services, ₦0.88 billion or 10.4 per cent; and solid minerals, ₦0.54 billion or 6.4 per cent of the total. The facilities disbursed by NEXIM were expected to support over 4,832 direct and indirect jobs and generate about US$64.65 million in foreign exchange earnings, annually.

**Figure 6.15: Summary of NEXIM Disbursements by Sector, 2014 (per cent)**



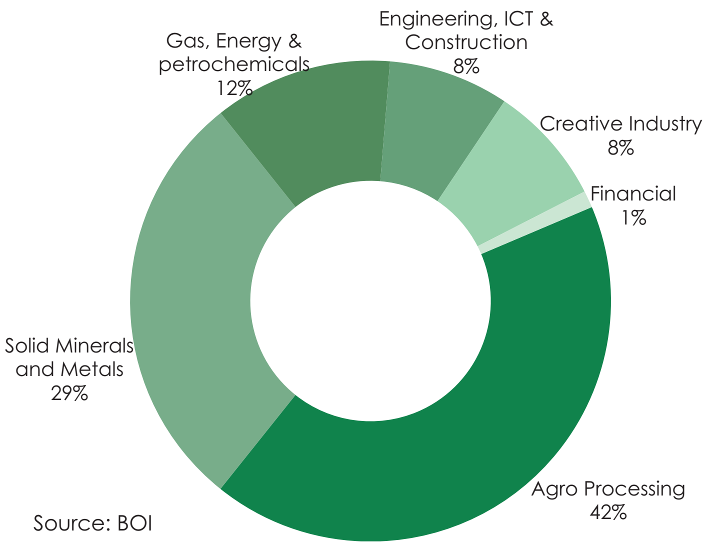
### 6.3.4.2 The Bank of Industry (BOI)

The total credit disbursed to the industrial sector under the Bank's various facilities in 2014 amounted to ₦30.7 billion, compared with ₦72.4 billion disbursed in 2013.

Analysis of sectoral disbursements showed that the agro-processing sector received ₦12.94 billion, representing 42.1 per cent of the total. This was followed by the solid minerals and metals sector, ₦8.78 billion or 28.6 per cent; gas, energy and petrochemicals, ₦3.70 billion or 12.0 per cent; engineering, ICT and construction ₦2.49 billion or 8.1 per cent; creative industry ₦2.48 billion or 8.1 per cent; and financial, ₦0.35 billion or 1.1 per cent of the total.

The bank in the review period also launched a ₦5.0 billion cottage agro processing (CAP) fund. This sector-specific product would support the small scale agro processors across Nigeria. The Fund would provide loans to beneficiaries to establish small scale plants or mini mills to process products, such as cassava, oil palm, paddy rice, groundnut, yam, maize, cocoa, sheanut, plantain, cashew, hides and skin, meat, chicken and fish. It is expected to create over 20,000 direct and indirect jobs. The loans will be granted at a single digit interest rate of 9.0 per cent per annum and a total management fee of 1.0 per cent. The tenor for the loan is five years with a moratorium of six months.

**Figure 6.16: Summary of BOI Disbursements by Sector, 2014 (per cent**




Source: BOI

## 6.4 TRANSPORT AND COMMUNICATIONS

### 6.4.1 Aviation Services

#### 6.4.1.1 Policy and Airport Development

The remodeling and upgrading of various airports across the country and the provision of safety and security infrastructure was intensified in 2014. The general aviation terminals (GAT) in the Lagos, Kano, Benin, Abuja, Enugu, Owerri and Calabar airports were completed in the year, while others were at advanced stages of completion. In addition, the construction of five (5) new international airport terminals in Lagos, Port-Harcourt, Kano, Abuja and Enugu continued during the year.

The domestic airline industry received a boost with the commencement of local flight operations by new entrants namely: Azman Air, Discovery Air, and Air Peace during the year, while others were at various stages of obtaining the Air Operators' Certificate (AOC). The development has increased competition and improved service delivery within the domestic airline industry.

The country also retained the United States Federal Aviation Administration (FAA) Category 1 (CAT-1) status during the year. The retention of the CAT-1 status enhanced the safety rating of the country's aviation industry, thereby improving patronage of facilities by airlines and travellers.

To further strengthen the counter-terrorism capacity at the nation's airports, government deployed hi-tech screening equipment at all airports. The country's Accident Investigation and Prevention Bureau (AIPB) became the first in Africa to commission a hangar equiped to quickly download, extract, decode and analyze aircraft accident data from the cockpit voice recorders (CVR) and flight data recorders (FDR), also known as Black Boxes.

The Federal Government provided equipment support to the Nigerian College of Aviation Technology (NCAT), Zaria to enhance its capacity to fulfil its mandate of producing skilled manpower for the country's aviation industry. These equipment included: aircraft, helicopters, a simulator, an auto pilot Training station and other training equipment for the institution. During the review period, over 200 aircraft and helicopter pilots, and engineers were trained under the Youth Empowerment Programme, as part of efforts to address the manpower gap in the aviation sector. In addition, one hundred and twenty seven (127) pilots and aircraft maintenance engineers were trained under the Niger Delta Amnesty Programme.

#### 6.4.1.2 Domestic Operations

The number of passengers airlifted by domestic airlines in 2014 stood at 11,625,248, an 8.4

per cent increase, relative to 10,694,004 passengers in 2013. Aircraft movements also increased by 9.3 per cent to 252,951 in 2014, compared with 231,388 in 2013.

#### 6.4.1.3 International Operations

Activities in the aviation sector witnessed a down-turn with the outbreak of the Ebola Virus Disease (EVD) in July, 2014. The passengers airlifted by airlines on international routes in 2014 decreased by 0.6 per cent to 4,554,016, compared with 4,580,830 in 2013. Airlines that operate in the West African coast suspended their operations to Guinea, Sierra Leone and Liberia. However, aggregate aircraft movement increased by 3.4 per cent to 45,944 in 2014, from 44,439 in 2013.

Cargo movement at designated airports fell by 7.0 per cent to 189,871,675 kg in 2014 from 204,104,618 kg in 2013. Mail movement also fell by 5.8 per cent to 6,080,668 kg, compared with 6,452,628 kg in 2013.

### 6.4.2 Railway Services

Modernisation of railway facilities received a boost in 2014. The government completed the construction of the first standard gauge railway modernisation project from Abuja to Kaduna, which spans 186km, with nine stations and a design speed of 150km per hour. Similarly, government signed a contract with the China Railway Construction Limited worth US$13.1 billion for the construction of a 1,385 km one-way mileage coastal railway line that will transverse 10 states of Nigeria with a design speed of 120 km/h, including the construction of 22 railway stations.

Efforts by the Nigeria Railway Corporation (NRC) to upgrade the railway rolling stock also received a boost during the year with the inauguration of two Diesel Multiple Units (DMLs) train sets and six (6) 68-seater air conditioned passenger coaches. This was aimed at improving the existing rail infrastructure.

The NRC Mass Transit Service moved 4.7 million passengers in 2014, compared with 4.3 million in 2013. Haulage of several tons of cement, petroleum products, inland port containers and flour cargos from Lagos to the Northern states were undertaken during the year.

### 6.4.3 Maritime Services

The Nigerian maritime sector witnessed increased activities and facility upgrade during the year. Measures to improve the operational efficiency of the ports were undertaken with the introduction of Pre-Arrival Assessment Report by the Nigerian Customs Service, which replaced the Risk Assessment Report (RAR) used in the inspection of cargo imports. The change was aimed at reducing the average turnaround time in clearing goods at the ports.

The Nigerian port process reform, which commenced in 2012, continued during the year. The 24-hour cargo clearance service received a boost with the replacement of the Risk Assessment Report (RAR) with the Pre-Arrival Assessment Report (PAAR) and the take-over of its implementation by Nigeria Customs Service in 2014. Consequently, Government disengaged the operation of the three (3) companies; Quality Assurance Projects Limited, Medtech Scientific Limited and Cotecna Destination Inspection Limited which hitherto were the operators of the Scheme.

Furthermore, in a bid to improve the regulatory environment of the sector, the Nigerian Shippers' Council was appointed as an interim commercial port regulator by the Federal Government. Other measures undertaken during 2014 included: the deployment of a Virtual Private Network (VPN) that connects all the ports with the Head Office to enable secure communication and centralised data/information management; the issuance of the electronic Ship Entry Notice (e-SEN) to eliminate unnecessary delays of vessels and reduce high demurrage; and aggressive channel management and wreck removal from the waterways. These measures reduced the average waiting time of vessels (pre-berth) to 1.71 days with the average turnaround time also reduced to 5.09 days.

*The Nigerian maritime sector witnessed increased activities and facility upgrade during the year.*

Various human capacity building initiatives were also implemented during the year. These included the establishment of the Nigeria Maritime University (NMU), the Nigerian Maritime Administration and Safety Agency (NIMASA) Dockyard and a technical college in Delta State. These institutions were expected to produce skilled manpower for the sector, increase employment opportunities and provide dry docking services for vessels. In addition, an institute of maritime studies was set up by NIMASA in four (4) selected universities, namely; the University of Nigeria, Nsukka; the University of Lagos, Lagos; Ibrahim Badamosi Babangida University, Lapai; and the Niger Delta University, Amasoma. The Federal Government approved the sum of N25.0 billion for the dredging of the River Benue to boost economic activities through increased haulage of goods to destinations within the coastal areas.

Provisional data from the Nigerian Ports Authority (NPA) indicated that the cargo throughput handled at Nigerian ports (excluding crude oil terminals) in 2014 increased by 10.6 per cent to 86,603,903 from 78,281,634 tonnes in 2013. The increase was due to the various measures implemented by the NPA to improve port service efficiency and effectiveness. The number of vessels and gross registered tonnage (grt) of vessels that entered Nigerian ports increased by 3.2 and 13.2 per cent, from 5,369 and 130,628,057 tonnes recorded in 2013 to 5,541 and 147,852,920 tonnes in 2014, respectively.

### 6.4.4 Communications

The Global System of Mobile Communications (GSM) continued to be the major growth driver of the communications sector.

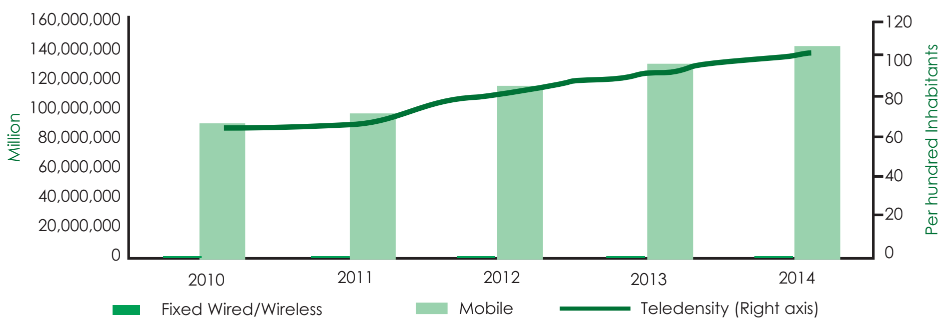
**Table 6.4: The Nigerian Telecommunications Market Statistics, 2010 – 2014**

| | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| No. of Active Fixed Wired/Wireless Lines ('000) | 1,050 | 753 | 406 | 361 | 183 |
| No. of Active Digital Mobile Lines (million) | 87.29 | 94.63 | 112.78 | 127.25 | 138.95 |
| No. of National Carriers | 2 | 2 | 2 | 2 | 2 |
| No. of Operating ISPs | 101 | 99 | 99 | 99 | 99 |
| No. of Active Licensed Fixed Line Operators | 30 | 28 | 25 | 24 | 24 |
| Number of Licensed Mobile Operators | 8 | 8 | 8 | 8 | 8 |
| Teledensity | 63.11 | 68.13 | 80.85 | 91.15 | 99.38 |

Source: Nigerian Communications Commission (NCC)

The combined active subscriber base of the telecommunications sub-sector increased by 9.0 per cent to 139,047,741 active lines (183,290 fixed wired/wireless and 138,864,451 mobile lines) in 2014, compared with the level in 2013. Thus, teledensity increased from 91.15 to 99.38 lines per 100 inhabitants over the same period, below the International Telecommunication Union (ITU) minimum standard of 1:100 threshold. Data from the NCC showed that the GSM segment of the telecoms sector continued to dominate the market as it accounted for 184.8 million lines, representing 98.0 per cent of the total 188.9 million connected lines. The wireless (GSM) also controlled 136.8 million lines amounting to 98.0 per cent of the total 139.1 million industry's active subscription. The Code Division Multiple Access (CDMA) segment remained at 2.2 million active lines in 2014, representing 1.6 per cent of the industry's active line subscription. Data from the NBS showed that the sector grew by 4.8 per cent and accounted for 8.5 per cent of GDP in 2014.

**Figure 6.17: Trends of Total Connected Lines and Teledensity, 2010 – 2014**




Source: NCC

The privatisation through "guided liquidation" of the Nigeria Telecommunications Plc (NITEL) and its mobile arm, Nigerian Mobile Telecommunications (MTEL) which commenced in 2012 continued in 2014. The NATCOM Consortium emerged as the preferred bidder and paid the sum of US$252.25 million.

Data from the Federal Ministry of Communications Technology showed that, 2G-enabled sites increased from 22,578 to 28,289, and 3G-enabled sites grew from less than 10,000 to 15,048 between 2013 and 2014, respectively. Also, telecommunications companies successfully deployed 38,000 kilometres of fibre optic cables in 2014, in addition to the 68,124 kilometres deployed in 2013.

The backbone infrastructure project, started by the NCC with the Universal Service Provision Fund (USPF), continued to bridge the gap between the served and under-served areas of the country in 2014. The project, subsidised by Government, was designed to facilitate the connection of rural and semi-urban areas to the national transmission backbone infrastructure. The Project would be implemented in all the 774 local government areas of Nigeria. The Project had so far laid about 1,200 kilometres of fibre optic cable. Also, over 170 base stations were deployed with the USPF to the unserved and under-served areas in 2014.

## 6.5 CONSUMER PRICES

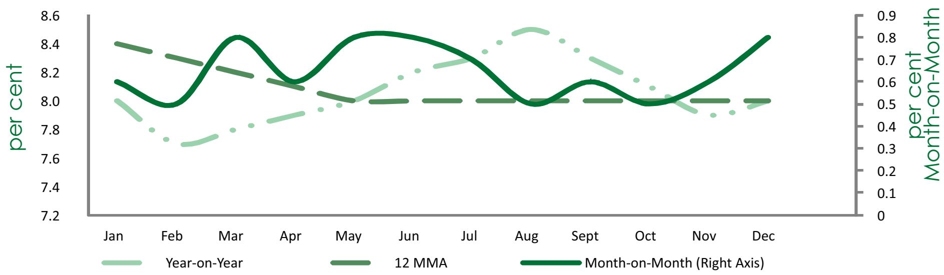
Inflation was contained within the single digit target in 2014. The development was attributed, largely, to the efficacy of monetary and fiscal policies and increased agricultural production, due to a clement weather. Data from the NBS indicated that the all-items composite Consumer Price Index (CPI) stood at 164.4 (November 2009=100) as at end-December 2014, compared with 152.3 at end-December 2013. This represented a year-on-year headline inflation rate of 8.0 per cent, at end-December 2014. A trend analysis showed that inflation rate dropped from 8.0 per cent at end-January 2014 to 7.8 per cent at end-March 2014. It, however, rose to 8.2 per cent at end-June 2014 and further to 8.3 per cent at end-September 2014, before closing at 8.0 per cent at end-December 2014. The observed inflationary trend was attributed to the stable prices of food items, which moderated food inflation. The 12-month moving average headline inflation was 8.0 per cent at end-December 2014, compared with 8.5 per cent at end-December 2013.

*Inflation as in the previous year, was largely contained within the single digit target in 2014.*

Core inflation (all-items, less farm produce) rose from 6.6 per cent at end-January 2014 to 6.8 and to 8.1 per cent at end-March and end-June 2014, respectively. It, however, declined to 6.3 per cent at the end of the third quarter of 2014 before closing at 6.2 per cent at end-December 2014. The largest contributors to core inflation in the review period were housing, water, electricity, gas and other fuels, clothing and footwear, and transport.

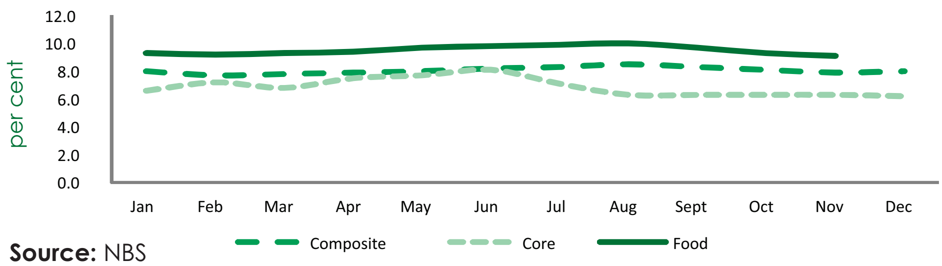
Food inflation stood at 9.3 per cent, both at end-January and end-March 2014. It increased to 9.8 per cent at end-June 2014 before trending downwards to 9.7 and 9.2 per cent at end-September and end-December 2014, respectively. The largest contributors to food inflation in the year under review were bread and cereals (2.05 per cent) and vegetables and meat (0.48 per cent).

**Figure 6.18: Trends in Inflation, 2014 (Year-on-year, 12-Month Moving Average and Month-on-Month)**




Source: NBS

**Figure 6.19: Trends in Inflation, 2014 (Composite, Core and Food)**




**Source:** NBS

Further analysis indicated that the urban headline inflation (year-on-year) at end-December 2014 stood at 7.9 per cent, compared with 8.1 per cent at end-December 2013. Urban core inflation and urban food inflation stood at 6.4 and 9.5 per cent, at end-December 2014, compared with 7.6 and 9.8 per cent respectively at end-December 2013. At 8.0 per cent, the all-items rural inflation increased by 0.1 percentage point, compared with the level at end-December 2013. However, both rural core and rural food inflation increased to 6.1 and 8.8 per cent, respectively, at end-December 2014, from 8.1 and 8.9 per cent at end-December 2013.

| Table 6.5: Annual Headline Inflation Rates (Year-on-Year) (Per cent) | | | | | |
|---|---|---|---|---|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 |
| January | 14.4 | 12.1 | 12.6 | 9.0 | 8.0 |
| February | 15.6 | 11.1 | 11.9 | 9.5 | 7.7 |
| March | 14.8 | 12.8 | 12.1 | 8.6 | 7.8 |
| April | 15.0 | 11.3 | 12.9 | 9.1 | 7.9 |
| May | 12.9 | 12.4 | 12.7 | 9.0 | 8.0 |
| June | 14.1 | 10.2 | 12.9 | 8.4 | 8.2 |
| July | 13.0 | 9.4 | 12.8 | 8.7 | 8.3 |
| August | 13.7 | 9.3 | 11.7 | 8.2 | 8.5 |
| September | 13.6 | 10.3 | 11.3 | 8.0 | 8.3 |
| October | 13.4 | 10.5 | 11.7 | 7.8 | 8.1 |
| November | 12.8 | 10.5 | 12.3 | 7.9 | 7.9 |
| December | 11.8 | 10.3 | 12.0 | 8.0 | 8.0 |
| ***Average*** | ***13.8*** | ***10.9*** | ***12.2*** | ***8.5*** | ***8.1*** |

Source: NBS

## 6.6 UNEMPLOYMENT

Government sustained the programmes for job creation in 2014, particularly the Graduate Entrepreneurship Scheme (GES). The thrust of the Scheme was to equip unemployed Nigerian graduates with the requisite skills to establish small and viable businesses of their choice. The intent of the training was to empower unemployed young graduates across the nation.

The NBS in 2014 reviewed the definition and methodology for computing unemployment in Nigeria. In collaboration with the CBN, the Ministry of Labour & Productivity, the National Directorate of Employment, and the Office of the Chief Economic Adviser to the President, the NBS conducted periodic National Job Creation Survey. The survey covered both formal and informal sectors of the economy, as well as public institutions in the 36 states and the FCT, with the aim of making available employment data.

| Table 6.6 : Labour Statistics, 2010 - 2014 | | | | | |
|---|---|---|---|---|---|
| | 2010 | 2011 | 2012* | 2013* | 2014* |
| **Total Population** | 159,288,426 | 164,385,656 | 169,645,997 | 175,074,668 | 180,677,058 |
| **Economically Active** | 67,060,427 | 69,206,361 | 71,420,965 | 73,706,435 | 76,065,041 |
| **Unemployment Rate (%)** | 5.1 | 6.0 | 10.6 | 10.0 | 7.8 |

Source: NBS

*Staff Estimates, except unemployment Rates

## 6.7 THE SOCIAL SECTOR

### 6.7.1 Demography

Nigeria's population was estimated at 180.7 million in 2014, based on the 3.2 per cent growth rate obtained from the 2006 National Census.

### 6.7.2 Education

Improved literacy and access to education across all levels was vigorously pursued by Government in 2014. The revised 9-Year Basic Education Curriculum was introduced with effect from the 2014/2015 academic session. The new curriculum provided for security education, which would be taught at the primary and junior secondary school levels as a compulsory subject arising from the security challenges faced in different parts of the country. This would be in addition to social studies and civic education.

The Tertiary Education Trust Fund (TETFund) provided funding for capacity building programmes for selected lecturers across public tertiary institutions and the construction and equipping of laboratories in state and Federal Polytechnics nationwide in 2014. Institutions that benefitted included: 71 Federal and state universities, 51 Federal, and state polytechnics and 61 Federal and state colleges of education. In addition, the Federal Government injected ₦200.0 billion into the university system to improve facilities for teaching and research.

In line with the Federal Government Universal Basic Education (FG-UBE) intervention programme, ₦27.1 billion was provided for the development of "Almajiri" education, out-of-school boys, and girl-child education programmes. Of this amount, ₦8.5 billion was committed to the "Almajiri" education programme, ₦6.4 billion for the out-of-school boys' programme, and ₦12.2 billion for the girl-child education programme across the country. The sector, however, witnessed disruptions due to prolonged strike action by the Academic Staff Union of Polytechnics (ASUP) and the Colleges of Education Academic Staff Union (COEASU) in 2014. Another major disruption was the outbreak of the Ebola Virus Disease (EVD), which necessitated a shift of resumption dates for primary and secondary schools nationwide. Also, there were incessant attacks by the insurgents on various institutions in 2014, particularly in the North-East part of the country, which prompted the launching of the Safe School Initiative by the Federal Government.

### 6.7.3 Health

The National Health Act which allows state governments to participate in the improvement of primary health care through counterpart funding, was enacted in 2014. Part of the Fund would be deployed for the provision of basic minimum package of health services to citizens in eligible primary/secondary healthcare facilities through the National Health Insurance Scheme (NHIS). The benefits of the Act include the following: the provision of free basic health care services for children under five years; pregnant women;

the elderly; and persons with disabilities. Also, the Pneumococcal Conjugate Vaccine (PCV) was introduced into the national routine immunisation schedule, to avert the death of children below five years from pneumonia and other pneumococcal diseases in Nigeria. In addition, the programme on the Prevention of Mother-to-Child Transmission of HIV (PMTCT) was launched to ensure that no Nigerian child was born with HIV.

The NHIS, in collaboration with mobile network providers in Nigeria, launched the Mobile Health Insurance Scheme to boost access to healthcare and reduce out-of-pocket payment. The Scheme was aimed at enrolling beneficiaries via the use of their mobile phones. It simplifies the process for Nigerians to register, make payment and choose a healthcare provider of their preference. With the Scheme, every Nigerian who owns a phone can have access to health insurance with premium as low as ₦250.00 per week.

Similarly, the Lagos University Teaching Hospital (LUTH) launched the ₦100 million Molecular Biology Research Laboratory, built and equipped by Chevron Nigeria in 2014. In addition, the Nigerian Institute of Medical Research (NIMR) commissioned the Human Virology Laboratory to boost laboratory services in the country.

A major shock to the sector in 2014 was the outbreak of the Ebola Virus Disease (EVD). However, the disease was successfully contained in Nigeria in a record time of 93 days. The success was made possible through the concerted efforts of all stakeholders and the quick confirmation of the index case of EVD at the Molecular Biology Research Laboratory in LUTH. In total, the country confirmed nineteen (19) cases, with seven (7) deaths and twelve (12) survivals, giving a fatality rate of 40.0 per cent, much lower than the average of 70.0 per cent recorded in other affected countries. The World Health Organisation (WHO), on October 20, 2014, formally declared Nigeria Ebola-free. Also, Nigeria recorded only six (6) cases of polio in 2014, compared with fifty (50) in 2013, a decline of 88.0 per cent.

#### 6.7.4 Housing and Urban Development

In 2014, the Federal Government established the Nigerian Mortgage Refinance Company (NMRC) as a special mortgage refinancing vehicle to bridge the funding gap for mortgages and promote the availability and affordability of housing to Nigerians. The NMRC commenced operations in mid-July 2014 with an authorised capital of ₦13.2 billion. The World Bank approved a concessional US$300.0 million 40-year International Development Association (IDA) loan at 0.75 per cent interest rate to facilitate the execution of the Housing Finance Programme. The loan would be disbursed in two instalments, US$250.0 million to NMRC as Tier 2 Capital and retained on the Company's balance sheet to provide credit support for its bond issuance. The balance of US$50.0 million would be allocated to other components of the Housing Finance Programme as follows: US$25.0 million for the establishment of the Mortgage Guarantee Facility for low income borrowers and US$25.0 million to support the development and piloting of Housing Microfinance Products. Further to this development, the Federal Government launched the first 10,000 Affordable Housing Mortgage Scheme under the management of the NMRC and the Primary Mortgage Banks (PMBs). The Scheme was implemented in partnership with 21 states on a pilot basis.

As part of its transformation agenda, the Federal Government also launched about 10,000 units of various types of houses in Apo, Tapyi District, Abuja. The Project was part of Government's vision to deliver about 100,000 housing units under the Nationwide Workers' Housing Scheme in the Federal Capital Territory (FCT) and the 36 states of the Federation.

### 6.7.5 The Environment

The Federal Ministry of Environment, in partnership with the World Bank, formally launched the implementation strategies for the Nigeria Erosion and Watershed Management Projects (NEWMAP) worth ₦19.0 billion in 21 sites within the South-Eastern states of Nigeria. NEWMAP is an 8-year development project aimed at reducing vulnerability to soil erosion in targeted sub-watersheds across the country. The fund for project execution was raised by the Federal Government as an investment loan of US$508.59 million, consisting of US$500.0 million International Development Association (IDA) concessional loan and a grant of US$8.59 million from the Global Environmental Facility (GEF) and the Special Climate Change Fund (SCCF). The Project was complemented by counterpart funds by the affected states and officially took-off at 5 erosion sites in Imo State. It would be extended in the future to Abia, Anambra, Cross River, Ebonyi, Edo and Enugu states.

# CHAPTER SEVEN

# EXTERNAL SECTOR DEVELOPMENTS

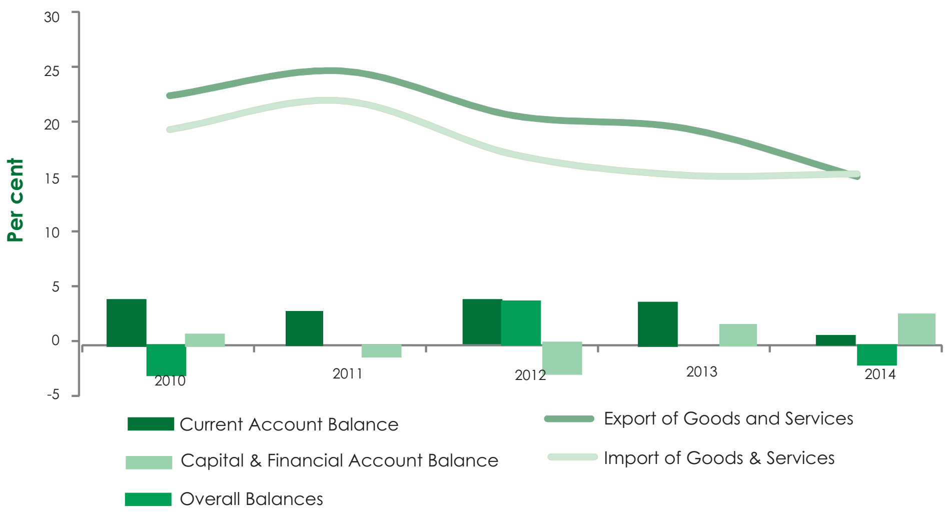
*In 2014, Nigeria's external sector experienced severe pressures, especially in the fourth quarter, due to the challenging global economic and financial environment. This was reflected in the drawdown on external reserves, external trade shocks occasioned by the crash in the international crude oil price, and capital reversals arising, partly, from the rebound in the US economy. Consequently, the current account registered a lower surplus equivalent of 0.3 per cent of gross domestic product (GDP), down from 3.8 and 3.7 per cent of GDP in 2012 and 2013, respectively. Also, the financial account recorded a net liability position. This was driven, largely, by non-resident claims on currency and deposits, external loans, as well as declining capital flows. The stock of external reserves, which was US$42.85 billion at end-December 2013, declined to US$34.24 billion in 2014, which could support 6.7 months of imports (goods only). External debt remained within a sustainable threshold at US$9.7 billion, while the international investment position (IIP) registered a net liability position. The exchange rate of the naira per US dollar depreciated across all segments of the foreign exchange market due, largely, to heightened demand pressure in the last quarter of the year. The external sector remained fragile due to the continued dependence on the oil sector and non-competitiveness of the non-oil sector.*

## 7.1 BALANCE OF PAYMENTS

### 7.1.1 Major Developments

In 2014, the overall balance of payments (BOP) account recorded a deficit equivalent of 1.7 per cent of GDP, which reflected the drawdown of external reserves and was driven by a lower current account surplus and net financial liability. The decline in current account was induced largely by lower export receipts, from ₦15,262.8 billion in 2013 to ₦12,988.3 billion in 2014 and higher import bills, from ₦8,628.7 billion in 2013 to ₦9,686.8 billion. The net financial liability was driven by non-resident claims on currency and deposits, other sectors' long-term loans, mainly by banks, as well as declining capital flows. The external reserves at US$34.2 billion could finance 6.7 months of imports, while the stock of external debt at US$9.7 billion remained within a sustainable threshold. The international investment position (IIP) recorded a net liability of US$60.5 billion, comprising US$119.8 billion assets and US$180.2 billion liabilities.

**Figure 7.1: Balance of Payments, 2010-2014 (Per cent of GDP)**




Source: CBN

## Table 7.1: Summary of Balance of Payments Statement 1/

| | ₦' billion | | | | | US$' billion | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2010 /2 | 2011 /2 | 2012 /2 | 2013 /2 | 2014 /3 | 2010 /2 | 2011 /2 | 2012 /2 | 2013 /2 | 2014 /3 |
| CURRENT ACCOUNT | 1,970.59 | 1,641.46 | 2,736.45 | 2,996.63 | 201.10 | 13.27 | 10.76 | 17.52 | 19.21 | 1.28 |
| Goods | 4,523.69 | 5,051.02 | 6,172.47 | 6,634.11 | 3,301.46 | 30.46 | 33.10 | 39.51 | 42.52 | 20.99 |
| Exports (fob) | 11,966.50 | 15,240.23 | 15,139.45 | 15,262.82 | 12,988.30 | 80.58 | 99.88 | 96.90 | 97.82 | 82.59 |
| Imports (fob) | (7,442.81) | (10,189.21) | (8,966.98) | (8,628.71) | (9,686.83) | (50.12) | (66.78) | (57.40) | (55.30) | (61.59) |
| Services(net) | (2,743.23) | (3,259.47) | (3,392.67) | (3,052.90) | (3,533.24) | (18.47) | (21.36) | (21.72) | (19.57) | (22.47) |
| Credit | 463.00 | 521.06 | 378.04 | 376.94 | 313.18 | 3.12 | 3.41 | 2.42 | 2.42 | 1.99 |
| Debit | (3,206.22) | (3,780.53) | (3,770.71) | (3,429.84) | (3,846.42) | (21.59) | (24.78) | (24.14) | (21.98) | (24.46) |
| Income(net) | (2,921.79) | (3,505.31) | (3,478.45) | (4,014.68) | (3,014.17) | (19.67) | (22.97) | (22.26) | (25.73) | (19.17) |
| Credit | 149.96 | 138.10 | 150.65 | 138.57 | 256.83 | 1.01 | 0.91 | 0.96 | 0.89 | 1.63 |
| Debit | (3,071.75) | (3,643.40) | (3,629.10) | (4,153.25) | (3,270.99) | (20.68) | (23.88) | (23.23) | (26.62) | (20.80) |
| Current transfers(net) | 3,111.92 | 3,355.22 | 3,435.09 | 3,430.10 | 3,447.04 | 20.95 | 21.99 | 21.99 | 21.98 | 21.92 |
| Credit | 3,183.76 | 3,427.82 | 3,511.07 | 3,543.80 | 3,585.87 | 21.44 | 22.46 | 22.47 | 22.71 | 22.80 |
| Debit | (71.84) | (72.61) | (75.98) | (113.70) | (138.83) | (0.48) | (0.48) | (0.49) | (0.73) | (0.88) |
| CAPITAL AND FINANCIAL ACCOUNT | 305.56 | (831.41) | (1,949.20) | 1,209.07 | 2,064.78 | 2.06 | (5.45) | (12.48) | 7.75 | 13.13 |
| Financial account(net) | 305.56 | (831.41) | (1,949.20) | 1,209.07 | 2,064.78 | 2.06 | (5.45) | (12.48) | 7.75 | 13.13 |
| Assets | (834.77) | (3,096.42) | (5,877.25) | (2,161.74) | (1,182.52) | (5.62) | (20.29) | (37.62) | (13.85) | (7.52) |
| Direct investment (Abroad) | (137.03) | (125.67) | (240.99) | (193.09) | (253.88) | (0.92) | (0.82) | (1.54) | (1.24) | (1.61) |
| Portfolio investment | (167.85) | (247.64) | (325.93) | (506.58) | (542.45) | (1.13) | (1.62) | (2.09) | (3.25) | (3.45) |
| Other investment | (2,021.37) | (2,676.05) | (3,562.42) | (1,616.25) | (1,715.51) | (13.61) | (17.54) | (22.80) | (10.36) | (10.91) |
| Reserve Assets | 1,491.48 | (47.06) | (1,747.90) | 154.18 | 1,329.32 | 10.04 | (0.31) | (11.19) | 0.99 | 8.45 |
| Liabilities | 1,140.33 | 2,265.01 | 3,928.05 | 3,370.81 | 3,247.30 | 7.68 | 14.84 | 25.14 | 21.60 | 20.65 |
| Direct Investment (in reporting economy) | 905.73 | 1,360.31 | 1,113.51 | 875.10 | 738.20 | 6.10 | 8.91 | 7.13 | 5.61 | 4.69 |
| Portfolio Investment | 556.59 | 792.36 | 2,687.23 | 2,130.18 | 832.39 | 3.75 | 5.19 | 17.20 | 13.65 | 5.29 |
| Other investment liabilities | (321.99) | 112.34 | 127.31 | 365.52 | 1,676.71 | (2.17) | 0.74 | 0.81 | 2.34 | 10.66 |
| NET ERRORS AND OMISSIONS | (2,276.15) | (810.06) | (787.25) | (4,205.70) | (2,265.88) | (15.33) | (5.31) | (5.04) | (26.95) | (14.41) |
| Memorandum Items: | | | | | | | | | | |
| Current Account Balance as % of G.D.P | 3.61 | 2.61 | 3.82 | 3.74 | 0.25 | 3.61 | 2.61 | 3.82 | 3.74 | 0.25 |
| Capital and Financial Account Balance as % of G.D.P | 0.56 | (1.32) | (2.72) | 1.51 | 2.58 | 0.56 | (1.32) | (2.72) | 1.51 | 2.58 |
| Overall Balance as % of G.D.P | (2.73) | 0.07 | 2.44 | (0.19) | (1.66) | (2.73) | 0.07 | 2.44 | (0.19) | (1.66) |
| External Reserves - Stock (US $ million) | 32,339.25 | 32,639.78 | 43,830.42 | 42,847.31 | 34,241.54 | 32,339.25 | 32,639.78 | 43,830.42 | 42,847.31 | 34,241.54 |
| Number of Months of Imports Equivalent | 7.74 | 5.87 | 9.16 | 9.30 | 6.67 | 7.74 | 5.87 | 9.16 | 9.30 | 6.67 |
| External Debt Stock (US$ million) | 4,578.77 | 5,666.58 | 6,527.07 | 8,821.90 | 9,711.45 | 4,578.77 | 5,666.58 | 6,527.07 | 8,821.90 | 9,711.45 |
| Effective Central Exchange Rate (₦/$) | 148.51 | 152.59 | 156.23 | 156.03 | 157.27 | 148.51 | 152.59 | 156.23 | 156.03 | 157.27 |
| Average Exchange Rate (₦/$) | 150.30 | 153.86 | 157.50 | 157.31 | 158.55 | 150.30 | 153.86 | 157.50 | 157.31 | 158.55 |
| End-Period Exchange Rate (₦/$) | 150.66 | 158.27 | 157.33 | 157.26 | 169.68 | 150.66 | 158.27 | 157.33 | 157.26 | 169.68 |

1/ The conversion for BOP Purposes was based on the mid-point or the effective central exchange rate.
2/ Revised
3/ Provisional
Source: Central Bank of Nigeria

## 7.2 THE CURRENT ACCOUNT

The current account posted a lower surplus of ₦201.1 billion (US$1.3 billion), indicating a decline of 93.3 per cent, compared with the level recorded in 2013. The development was due, largely, to a lower trade balance in goods account, higher payments in respect of services, and a reduced surplus in net current transfers. The deficit in the services account widened by 15.7 per cent when compared with its level in 2013, while the income account deficit contracted by 24.9 per cent to ₦3,014.2 billion. The surplus in the current transfers account, spurred mainly by remittance inflow from Nigerians in the diaspora, increased marginally by 0.5 per cent to ₦3,447.0 billion.

*The current account posted a lower surplus of ₦201.1 billion (US$1.3 billion), indicating a decline of 93.3 per cent from the level recorded in 2013.*

### 7.2.1 The Goods Account

At ₦3,301.5 billion or 3.7 per cent of GDP, the balance of trade declined by 50.2 per cent from the level recorded in 2013, a reflection of developments in the global economic environment. Merchandise export, at ₦12,988.3 billion or 14.6 per cent of GDP, declined by 14.9 per cent from the level in 2013. A further disaggregation of export showed that crude oil exports, representing 11.7 per cent of GDP, declined by 17.9 per cent due, mainly, to the fall in international crude oil prices from an average price of US$111.36 per barrel in 2013 to US$100.7 per barrel in 2014. The decline in oil prices was caused by an oil glut, due to the entrance of shale oil from the US into the international oil market, a huge inventory of oil in Europe, and the slow pace of economic activities in China and Russia, as well as the appreciation of the US dollar. Gas exports, on the other hand, increased by 11.0 per cent to ₦1,633.7 billion, while non-oil exports decreased by 15. 5 per cent to ₦954.8 billion, accounting for 1.1 per cent of GDP. Aggregate imports (fob), representing 10.9 per cent of GDP, rose by 12.3 per cent as a result of increased tempo in the rehabilitation of decayed socio-economic infrastructure. Non-oil imports, dominated by industrial sector imports, increased by 20.1 per cent to ₦7,515.6 billion due, mainly, to improved economic activities, particularly the on-going infrastructural projects undertaken by Government. In contrast, crude oil and gas imports declined by 8.4 per cent, from ₦2,371.0 billion in 2013 to ₦2,171.3 billion as a result of developments in the global oil market.

**Figure 7.2: Value of Imports, Exports and Trade Balance, 2010 - 2014**


Source: CBN

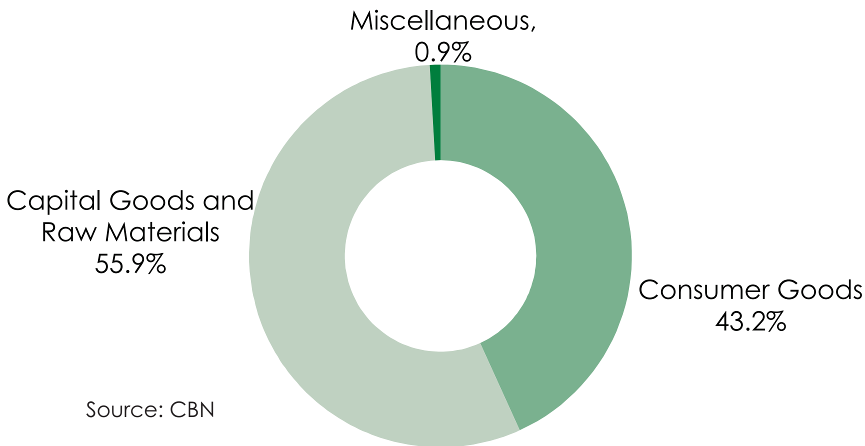
#### 7.2.1.1 Imports (Cost and Freight (c&f))

Aggregate imports unadjusted for balance of payments rose by 11.6 per cent during the review period as a result of increased importation of non-oil related products, which grew by 18.7 per cent above the level recorded in 2013. Analysis of returns from DMBs on foreign exchange utilisation showed an increase in imports of all major commodity groups, indicating an upward trend in economic activities, due to strong domestic demand. Further analysis revealed that industrial sector imports, which accounted for 29.8 per cent of total visible imports, increased by 32.7 per cent above the level recorded in 2013. The oil sector, manufactured goods, food products and transport-related import accounted for 30.4, 17.3, 14.2 and 5.7 per cent, respectively. Furthermore, agricultural and minerals sector imports accounted for 1.5 and 1.1 per cent, respectively.

#### (a) Imports by End-User

Analysis of aggregate imports by end-user revealed that the share of capital goods and raw materials as a group dominated total imports at 55.9 per cent. Of this, capital goods comprising machinery, spare parts and accessories accounted for 42.3 per cent, while raw materials (mainly chemicals) accounted for the balance. Capital goods and raw materials import increased by 14.6 per cent, from ₦5,144.0 billion in 2013 to ₦5,894.1 billion in the review period. This was reflected in the improved industrial capacity and domestic production. Further analysis revealed that the share of consumer goods stood at 43.2 per cent of which durable consumer goods was 23.4 per cent and non-durable goods, 19.8 per cent. Miscellaneous goods accounted for the balance.

**Figure 7.3: Imports by Major Groups, 2014 (Per cent)**




Source: CBN

#### (b) Imports by the Harmonised System (HS) Classification

Analysis of imports by the Harmonised System (HS) classification showed that machinery and mechanical appliances accounted for the largest share of 27.1 per cent of the total; followed by vehicles, aircraft and other transport equipment, 14.1 per cent; base metals and articles of base metals, 10.8 per cent; chemical products, 9.2 per cent; vegetable products, 7.1 per cent; plastics, 7.1 per cent, and prepared foodstuff and beverages, 6.1 per cent. Live animals, mineral products, pulp of wood, articles of stone, and textiles accounted for 5.2, 3.1, 2.6, 1.8 and 1.7 per cent, respectively, while others accounted for the balance.

**(c) Non-oil Imports by Country of Origin**

Available data showed that Asia (excluding Japan) remained the dominant source of imports to Nigeria during the review period, accounting for 40.7 per cent of total imports. Within the group, China recorded the highest share of 25.7 per cent, followed by India with 6.9 per cent. Korea Republic, Thailand and Indonesia accounted for 4.5, 2.0, and 1.6 per cent, respectively. Imports from industrialized countries ranked second and accounted for 32.7 per cent of the total with the United States of America (USA) leading the group with a share of 11.2 per cent, followed by Germany with 4.5 per cent. Imports from the United Kingdom, The Netherlands, Belgium, Italy and Japan accounted for 4.2, 3.1, 2.6, 2.4 and 2.0 per cent, respectively. Imports from "other" countries accounted for 24.3 per cent. Under this group, the shares of Brazil, United Arab Emirate and Spain were 2.6, 1.8 and 1.3 per cent, respectively. Nigeria's imports from African countries decreased marginally by 1.6 percentage points to 2.3 per cent. Imports from South Africa topped the group with a share of 2.3 per cent.

**Figure 7.4: Non-oil Imports by Country of Origin, 2010-2014 (Percentage share of total)**


Source: CBN

### 7.2.1.2 Exports (Free on Board (fob))

The value of aggregate merchandise exports equivalent of 14.6 per cent of GDP fell by 14.9 per cent, from ₦15,262.8 billion (US$97.8 billion) in 2013 to ₦12,988.3 billion (US$82.6 billion). The development was attributed to the decline in the value of crude oil exports by 17.9 per cent due, largely, to the drop in crude oil prices at the global market. At 11.7 per cent of GDP, crude oil export receipts remained dominant and accounted for 80.1 per cent of total exports, while gas sales, representing 1.8 per cent of GDP, accounted for 12.5 per cent and increased by 11.0 per cent above the level recorded in 2013. Non-oil exports, which declined by 15.5 per cent, accounted for 7.4 per cent of total exports and represented 1.1 per cent of GDP.

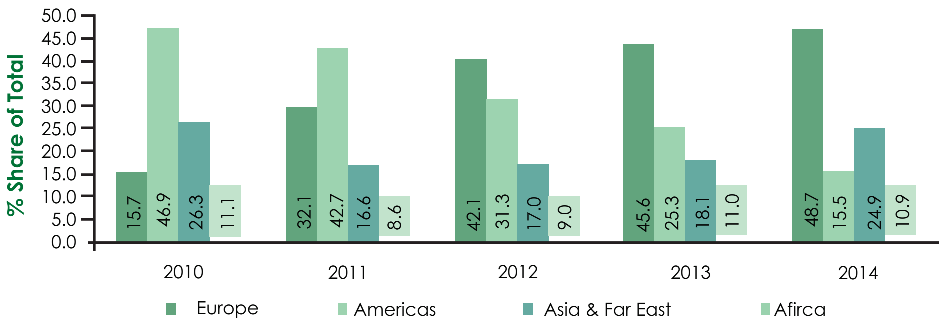
**[a] Direction of Oil Exports**

Disaggregation of oil exports by region showed that Europe as a group maintained its position as the largest importer of Nigeria's crude oil with a share of 48.6 per cent of the total, followed by Asia and the Far East (24.9%); the Americas (15.5%); and African countries (10.9%). In value terms, crude oil exports to Europe declined by 11.6 per cent from ₦5,510.9 billion in 2013 to ₦4,873.3 billion in 2014. Within Europe as a group, The Netherlands was the highest importer accounting for 13.8 per cent of the total import of Nigeria's crude, followed by Spain (10.1%), France (7.0%), Italy (4.6%), the United Kingdom (4.2%), Germany (2.0%) and the remaining countries accounted for the balance.

The aggregate value of imports by Asia and the Far East increased by 12.6 per cent to ₦2,587.7 billion equivalent of 192.5 million barrels. On a country by country basis, India topped the group with a share of 12.6 per cent of total, followed by Singapore (5.7%).
The value of crude oil exports to the Americas dropped significantly by 49.5 per cent to ₦1,615.8 billion. Brazil ranked the highest, with a share of 10.8 per cent, followed by the United States of America (2.9%), Peru (0.7%) and Uruguay (0.3%). The USA, hitherto Nigeria's largest importer of crude oil recently had a breakthrough in energy independence with the shale oil revolution.

The value of crude oil exported to the African continent dropped by 18.0 per cent, from ₦1,385.5 billion in 2013 to ₦1,136.8 billion, as the volume dropped slightly from 84.7 million barrels recorded in 2013 to 84.6 million barrels. Oil exports to South Africa dominated the group with a share of 5.4 per cent, followed by Côte d'Ivoire, 2.6 per cent and Cameroon, 1.5 per cent.

**Figure 7.5: Direction of Crude Oil Exports, 2010 - 2014**
**(Per cent of total)**




Source: CBN

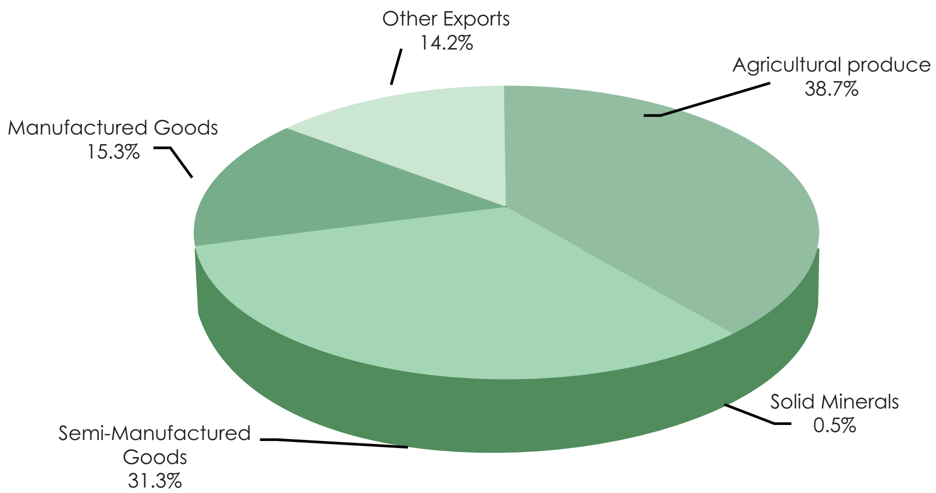
**[b] Non-oil Exports**

Non-oil exports, at ₦954.8 billion or 1.1 per cent of GDP, represented 7.4 per cent of total exports in the review period, reflecting improved domestic production. The development was induced by sustained government strategic initiatives and diversification of the country's export base.

A disaggregation of non-oil exports by product indicated that agricultural produce ranked highest with a share of 38.7 per cent, followed by semi-manufactured goods (31.3%), manufactured goods (15.3%), other exports (14.2%), while solid minerals accounted for the balance.

In the agricultural produce category, cocoa beans constituted 17.1 per cent of the total, followed by sesame seed (12.5%), cashew nut (2.5%), rubber (2.3%), and others (4.3%). Further analysis revealed that in the semi-manufactured category, leather and processed skin accounted for 15.7 per cent; cocoa products (4.4%) and others (11.2%). In the manufactured goods category, tobacco accounted for 3.5 per cent of the total; other manufactured products (3.2%). 'Other exports' accounted for 14.2 per cent, of which petroleum products recorded the highest performance of 10.0 per cent in the sub-sector.

**Figure 7.6: Non-oil Exports by Product, 2014 (Per cent)**




Source: CBN

**[c] Non-oil Exports to the ECOWAS Sub-Region**

Analysis of non-oil exports to the ECOWAS sub-region revealed that the total value of intra-regional trade declined by 6.5 per cent, from US$375.3 million in 2013 to US$350.9 million in the review period. This was attributable to the outbreak of the Ebola Virus Disease which hindered the free flow of goods and services within the sub-region. Export to Ghana, at US$146.4 million, was the highest, accounting for 41.7 per cent, followed by Niger, Côté d'Ivoire, Togo, and Burkina Faso with US$51.0 million, US$47.4 million, US$38.7 million and US$24.2 million, respectively. Other countries in the Community accounted for the balance. The dominant exports to the sub-region were tobacco, plastics, rubber, footwear and polybags.

**[d] Activities of the Top 100 Non-oil Exporters**

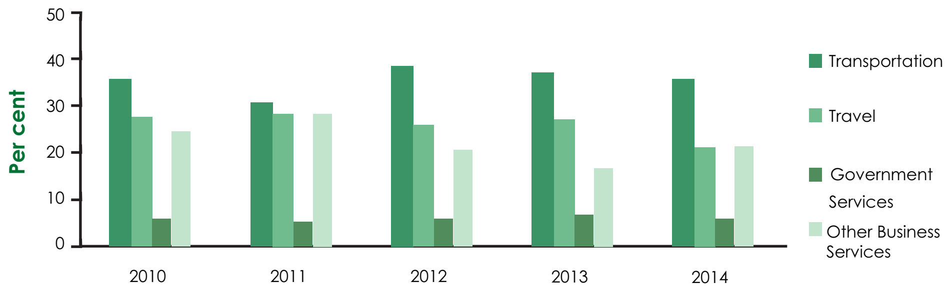
Total non-oil export receipts of the top 100 exporters decreased by 9.0 per cent below the earnings in 2013 to US$2.5 billion, due to the decline in receipts of proceeds from the exports of sesame seeds, cocoa, and leather. Olam Nigeria Limited retained the first position in 2014 with total earnings of US$259.2 million from the exports of cocoa beans and sesame seeds to The Netherlands, Greece, Turkey and the United Kingdom. Bolawole Enterprises Nig. Limited replaced Unique Leather Finishing Co. Limited as the 2nd top 100 exporter with export proceeds valued at US$127.5 million, which comprised cocoa beans to Belgium and The Netherlands. The two companies accounted for 10.2 and 5.0 per cent of the total, respectively.

Mamuda Industries (Nig.) Limited and Sun and Sand Industries Africa Limited were ranked 3rd and 4th, respectively, with export receipts valued at US$116.4 million and US$112.7 million, respectively. Furthermore, Mamuda Industries (Nig.) Limited exported finished and processed leather to Italy, China and Brazil, while Sun and Sand Industries Africa Limited exported nickel and tin alloy to India and Japan. De United Foods Industries Limited, ranked 22nd with export proceeds of US$34.9 million from noodles export to Benin, Côte d'Ivoire and Ghana. West African Rubber Products (Nig.) Limited earned the 25th place on the list from the export of bathroom slippers to Togo, Ghana and Congo DR valued at US$33.6 million. PZ Cussons Nigeria PLC earned US$22.2 million and was placed 33rd from the export of milk, beauty and baby care products to Ghana, Congo DR, Togo, and Libya. Flour Mills of Nigeria PLC earned US$14.7 million through exported semolina and polypropylene products to Morocco and Puerto Rico and ranked 40th. Bel Papyrus Limited and Chipita (Nig.) Limited emerged the 99th and 100th exporters with earnings of US$3.4 million and US$3.4 million, each accounting for 0.1 per cent of the total. Bel Papyrus exports were mainly tissue paper to Ghana, Angola and Côte d'Ivoire. Chipita proceeds were from the export of transport and industrial spare parts to Greece.

### 7.2.2 The Services Account

The deficit in the services account continued in the review period, resulting in a higher deficit equivalent of 4.0 per cent of GDP. The deficit, at ₦3,533.2 billion, widened by 15.7 per cent, due to higher payments in respect of all the components in the services account. Transportation accounted for 35.6 per cent followed by travels, 21.2 per cent; other business services, 21.2 per cent; government services, 5.5 per cent; financial services, 5.5 per cent and insurance services, 1.4 per cent. Other components of services accounted for the balance. Net payments in respect of transportation increased by 7.9 per cent to ₦1,258.9 billion and was dominated by freight charges (₦732.3 billion). Net payments in respect of travels narrowed by 10.5 per cent to ₦750.0 billion under which education related travels accounted for the largest share of ₦352.1 billion. Other net payments included: other business services (₦749.4 billion); government services (₦195.6 billion); financial services (₦193.0 billion); and insurance services (₦49.2 billion).

**Figure 7.7: Percentage Share of Major Invisible Transactions, 2010-2014**




Source: CBN

**Table: 7.2 Share of Major Invisible Transactions in Net Deficit (Per cent), 2010 - 2014**

| *Items* | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| *Transportation* | 35.7 | 30.5 | 38.6 | 37.2 | 35.6 |
| *Travel* | 27.4 | 28.2 | 25.9 | 26.7 | 21.2 |
| *Insurance Services* | 2.7 | 3.3 | 3.4 | 3.5 | 1.4 |
| *Communication Services* | 1.3 | 0.8 | 1.7 | 2.6 | 3.7 |
| *Construction Services* | 0.7 | 0.4 | 0.5 | 0.4 | 0.3 |
| *Financial Services* | 0.1 | 1.4 | 1.9 | 3.6 | 5.5 |
| *Computer and Information Services* | 0.7 | 0.8 | 0.8 | 1.7 | 3.1 |
| *Royalties and License Fees* | 1.2 | 1.0 | 1.2 | 1.3 | 1.1 |
| *Government Services* | 5.5 | 4.9 | 5.6 | 6.2 | 5.5 |
| *Personal, Cultural & Recreational Services* | 0.3 | 0.4 | 0.3 | 0.1 | 1.4 |
| *Other Business Services* | 24.4 | 28.3 | 20.3 | 16.7 | 21.2 |
| *Total* | 100 | 100 | 100 | 100 | 100 |

Source: CBN

### 7.2.3 The Income Account

The income account recorded a lower deficit of ₦3,014.2 billion or 3.4 per cent of GDP, compared with ₦4,014.7 billion or 5.0 per cent of GDP in 2013. The development was due to a 24.7 per cent decline in investment income, lower repatriation of dividends and distributed branch profits, as well as lower interest payments on portfolio and other investments. Further moderating effects came from the interest on external reserve assets and other investments which increased by 204.9 per cent during the review period. In addition, the surplus in the compensation of employees increased by 7.6 per cent, while the deficit of investment income contracted to ₦3,042.4 billion in 2014, from ₦4,040.9 in 2013.

### 7.2.4 Current Transfers

The surplus in the current transfers account (net) increased marginally by 0.5 per cent to ₦3,447.0 billion, equivalent to 3.9 per cent of GDP. General government transfers (net), which comprised payments to foreign embassies and international organisations, increased by 5.6 per cent. Other sectors' sub-account, driven mainly by workers' remittances, increased marginally by 0.1 per cent. Personal home remittances, equivalent to 3.7 per cent of GDP, accounted for 91.2 per cent of total inflow.

**Table 7.3: Current Transfers (Naira Billion), 2012 - 2014**

| | 2012 | 2013 | 2014 |
|---|---|---|---|
| **INFLOW (credit)** | | | |
| 1.General government (Grants, ODA, Technical Assistance & Gifts) | 302.4 | 298.4 | 295.1 |
| 2. Other sector workers' remittances and other transfers | 3,208.7 | 3,245.4 | 3,290.8 |
| **OUTFLOW (debit)** | | | |
| 1.General government (Payments to International Organizations & other payments) | 25.5 | 28.3 | 10.0 |
| 2. Other sector workers' remittances and other transfers | 50.4 | 85.4 | 128.8 |
| **NET CURRENT TRANSFERS** | **3,435.1** | **3,430.1** | **3,447.0** |

Source: CBN

## 7.3 THE CAPITAL AND FINANCIAL ACCOUNT

Transactions in the capital and financial account resulted in a net liability of ₦2,064.8 billion (US$13.13 billion) equivalent to 2.6 per cent of GDP, as against ₦1,209.1 billion, in 2013, indicating an increase of 70.8 per cent from the level recorded in 2013.

Direct investment (abroad) increased by 31.5 per cent to ₦253.9 billion and accounted for 21.5 per cent of the total. A breakdown showed that equity capital and reinvested earnings accounted for 98.2 and 1.8 per cent of the total, respectively.

Portfolio investment (assets) increased by 7.1 per cent to ₦542.4 billion over the level in the preceding year and accounted for 45.9 per cent of total external financial assets, due to increased investments abroad. Of the total, equity securities accounted for 80.0 per cent with a value of ₦434.0 billion, while short-term tenored debt securities accounted for the balance of ₦108.5 billion.

Other investment (assets) increased by 6.1 per cent, from ₦1,616.2 billion in 2013 to ₦1,715.5 billion or 1.9 per cent of GDP. The improvement in other investment (assets) was driven by the 27.1 per cent increase in trade credits, from ₦1,605.9 billion in 2013 to ₦2,041.6 billion in the review period.

Total external financial liabilities stood at ₦3,247.3 billion, indicating a decrease of 3.7 per cent from the level in the preceding year. The decline was caused by lower inflow of both foreign direct and portfolio investments, which fell by 15.6 and 60.9 per cent, from their respective levels in 2013.

A breakdown of total external financial liabilities revealed that foreign direct investment declined to ₦738.2 billion and constituted 22.7 per cent of the aggregate external financial liabilities. The components of FDI in the reporting economy, namely, equity capital, reinvested earnings, and other capital, accounted for 43.1, 56.7 and 0.2 per cent, respectively.

Portfolio investment witnessed lower capital inflow, from ₦2,130.2 billion in 2013 to ₦832.4 billion in 2014, mainly as a result of the conclusion of the Fed tapering following the improvement in the US economy. Further analysis revealed that, the contribution of debt securities to portfolio investment overwhelmed investment in equity and accounted for 80.3 per cent of the total, while equity securities accounted for the balance. Under the debt securities, the share of long-term securities stood at 75.9 per cent, while short-term securities accounted for 24.1 per cent.

The ratio of portfolio investment to external reserves, as a measure of the level of exposure of the external sector to short-term liabilities, decreased by 16.4 percentage points to 15.5 per cent, from 31.9 per cent in 2013.

The inflow from 'other investment' increased from ₦365.5 billion in 2013 to ₦1,676.7 billion. This reflected a surge in the value of loan facilities given to Nigerians by non-residents, and claims in respect of currency and deposits by domestic deposit money banks.

The external debt stock grew by 10.1 per cent, from US$8.8 billion in 2013 to US$9.7 billion, but remained within a sustainable threshold, based on the external debt sustainability analysis (DSA) assessment. The increase in external debt was primarily due to newly contracted debt from bilateral and multilateral sources.

## 7.4 CAPITAL IMPORTATION

### 7.4.1 Capital Importation by Nature of Investment

Analysis of capital importation revealed that the total amount of capital imported into the economy stood at US$20.8 billion, compared with US$23.6 billion in 2013, indicating a decrease of 11.9 per cent. A disaggregation of capital imported by nature of investment revealed that, of the total, portfolio investment remained dominant and accounted for 71.8 per cent, while foreign direct investment accounted for 11.0 per cent and 'other investments' 17.2 per cent, respectively.

Foreign direct investment registered a higher inflow of US$2.31 billion in 2014, indicating an increase of 37.5 per cent, compared with the value recorded in 2013. A further breakdown revealed that foreign direct investment held as equity and 'other claims' amounted to US$2.3 billion and US$0.01 billion, respectively.

Portfolio investment inflow declined by 22.0 per cent to US$14.9 billion, from the level recorded in 2013. This comprised equity, bonds and money market instruments, which stood at US$11.4 billion, US$2.5 billion and US$1.0 billion, constituting 76.7, 16.4 and 6.9 per cent, respectively.

Capital imports in the 'other investment' category increased by 28.8 per cent to US$3.6 billion, and comprised trade credit, loans, and 'other claims' constituting 0.6, 40.0 and 59.4 per cent of total, respectively.

**Table 7.4: New Capital Inflow (US$' Thousand)**

| NATURE OF CAPITAL | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| Foreign Direct Investment – Equity | 668,350.88 | 1,498,906.99 | 1,979,333.15 | 1,646,108.03 | 2,292,466.24 |
| Foreign Direct Investment - Other capital | 60,602.15 | 254,439.30 | 67,858.63 | 30,065.76 | 13,028.87 |
| Portfolio Investment – Equity | 2,979,446.68 | 3,691,505.55 | 11,655,835.94 | 16,865,724.28 | 11,448,160.95 |
| Portfolio Investment – Bonds | 68,476.84 | 66,489.97 | 585,178.97 | 1,209,437.74 | 2,451,604.64 |
| Portfolio Investment - Money Market Instruments | 883,844.21 | 755,126.69 | 1,172,769.97 | 1,065,039.37 | 1,025,018.42 |
| Other Investments - Trade Credits | 154.88 | 1,366.51 | 44,537.43 | - | 22,030.04 |
| Other Investments - Loans | 1,399,457.35 | 1,611,294.41 | 1,134,124.00 | 2,237,431.06 | 1,428,567.75 |
| Other Investments - Currency Deposits | - | - | 30,034.93 | 4,208.98 | - |
| Other Investments - Other Claims | 2,225.41 | 24,640.31 | 20,833.06 | 530,771.34 | 2,120,050.04 |
| **TOTAL** | **5,994,150.02** | **7,903,769.73** | **16,690,560.07** | **23,588,786.56** | **20,800,926.95** |

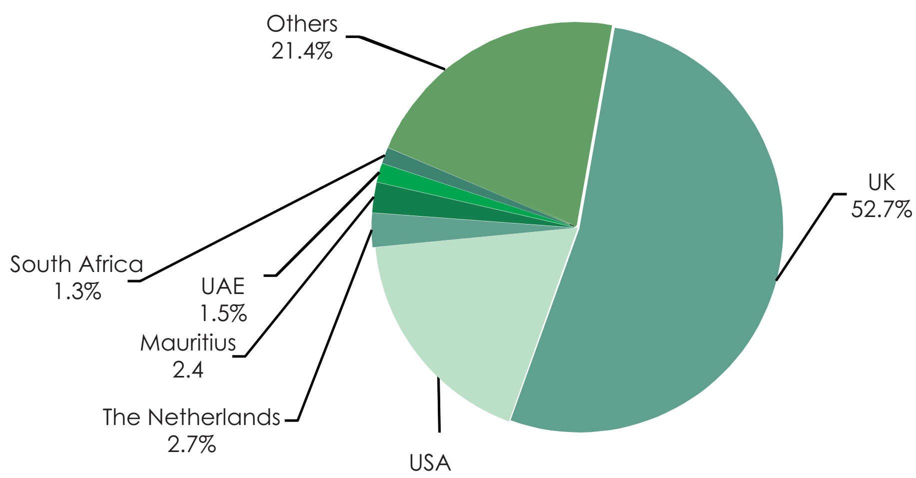
Source: CBN

### 7.4.2 Capital Importation by Country of Origin

Analysis of capital importation by country of origin revealed that, the highest capital inflow originated from the United Kingdom which accounted for 52.7 per cent of the total.

This was followed by the United States of America (18.0%), The Netherlands (2.7%), Mauritius (2.4%), the United Arab Emirates (1.5%), South Africa (1.3%), and "others" (21.4%).

**Figure 7.8: Capital Importation by Country, 2014**
**(Per cent)**

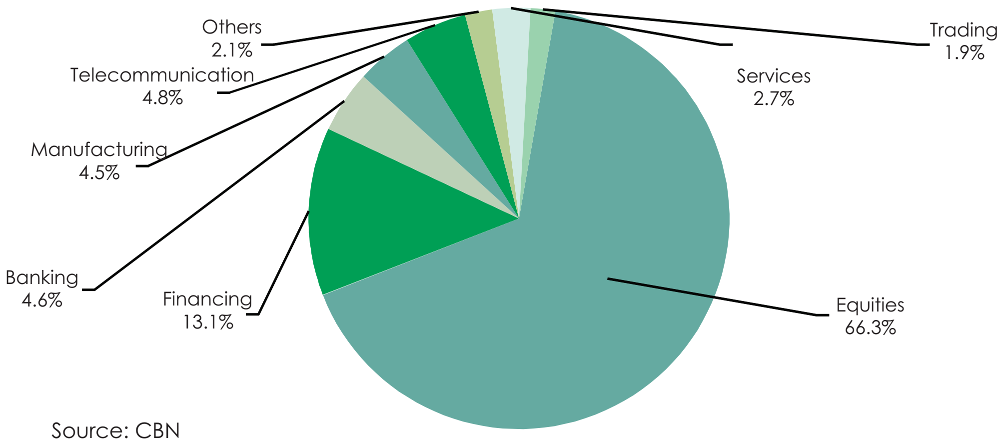



Source: CBN

### 7.4.3 Capital Importation by Sector

Analysis of capital importation by sector revealed that equities received the highest injection of fresh capital to the tune of US$13.8 billion and accounted for 66.3 per cent of the total. The share of new capital inflow into financing, telecommunications, banking, manufacturing, services and trading sub-sectors were 13.1, 4.8, 4.6, 4.5, 2.7 and 1.9 per cent, respectively. Other sectors accounted for the balance (2.1%).

**Figure 7.9: Capital Importation by Sector, 2014**
**(Per cent)**




Source: CBN

**Table 7.5: Capital Importation: Country and Sector Inflow (US$ Million)**

| Country | 2011 | 2012 | 2013 | 2014 | Sector | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|---|---|---|---|
| United Kingdom | 3,644 | 10,227 | 12,981 | 10,953 | Banking | 876 | 2,041 | 701 | 964 |
| United States | 1,485 | 2,546 | 4,965 | 3,742 | Shares | 4,030 | 11,871 | 17,443 | 13,808 |
| South Africa | 381 | 512 | 472 | 278 | Financing | 851 | 636 | 2,380 | 2,726 |
| Mauritius | 278 | 462 | 733 | 496 | Telecommunications | 296 | 139 | 977 | 998 |
| The Netherlands | 765 | 207 | 263 | 566 | Prod./Manufacturing | 520 | 557 | 620 | 944 |
| Cyprus | 64 | 41 | 37 | 6 | Services | 48 | 433 | 648 | 569 |
| Switzerland | 47 | 358 | 836 | 155 | Breweries | 73 | 13 | 38 | - |
| Luxembourg | 25 | 42 | 73 | 78 | Oil and Gas | 22 | 157 | 205 | 208 |
| Germany | 221 | 20 | 347 | 189 | Trading | 26 | 421 | 283 | 394 |
| Denmark | - | 3 | - | - | Construction | 42 | 64 | 55 | 56 |
| Sweden | 52 | 29 | 9 | 63 | Hotels | - | 23 | 20 | 11 |
| China | 58 | 48 | 117 | 86 | Transport | - | 75 | - | 2 |
| United Arab Emirates | 49 | 49 | 44 | 321 | Marketing | 1 | 27 | 3 | - |
| Others | 834 | 2,147 | 2,737 | 3,867 | Others | 1,118 | 234 | 210 | 120 |
| **TOTAL** | **7,903** | **16,691** | **23,588** | **20,800** | **TOTAL** | **7,903** | **16,691** | **23,588** | **20,800** |

Source: CBN

## 7.5 THE INTERNATIONAL INVESTMENT POSITION (IIP)

The estimated net International Investment Position (IIP) for 2014 showed that claims of non-resident investors on the Nigerian economy increased by 69.5 per cent to US$60.5 billion, from US$35.7 billion recorded in 2013.

A further breakdown of the IIP revealed that the stock of aggregate external financial assets decreased by 4.5 per cent to US$119.8 billion from the level in the previous year. The development resulted from the decrease in the values of other foreign assets and reserve assets which amounted to US$52.0 billion and US$34.2 billion, respectively. The stock of direct and portfolio investments abroad increased by 18.7 and 17.3 per cent, and accounted for 8.6 and 19.5 per cent of the total, respectively, in 2014. The growth recorded in portfolio investment abroad was mainly attributed to increased equity investments which outweighed the acquisition of debt securities.

The value of 'other foreign assets' decreased by 3.8 per cent to US$52.0 billion and contributed 43.4 per cent of the total. The stock of reserve assets declined by 20.1 per cent to US$34.2 billion and constituted 28.6 per cent of the total.

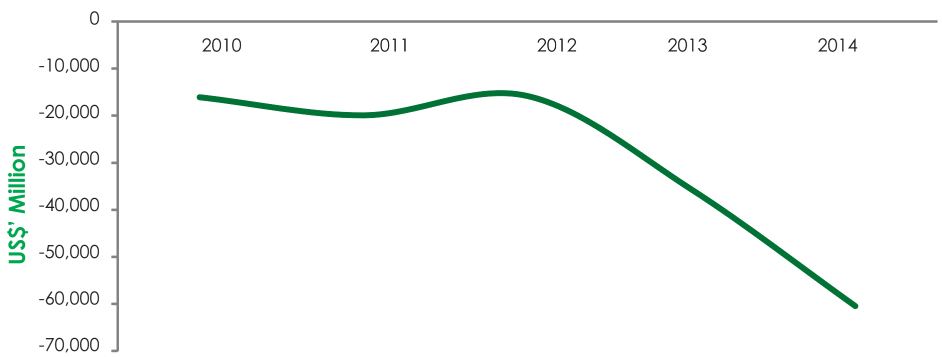
The aggregate external financial liabilities increased by 11.9 per cent to US$180.2 billion relative to US$161.0 billion posted in 2013. This comprised: direct investment which increased by US$4.7 billion from the level in 2013 to US$86.7 billion; portfolio investment which rose by US$5.3 billion to US$59.5 billion; and other liabilities (loans and foreign currency deposits), which stood at US$34.1 billion.

**Table 7.6: International Investment Position (IIP), 2010-2014, (US$'Million)**

| Type of Asset/Liability | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| **Net international investment position of Nigeria** | **(16,073.08)** | **(19,911.46)** | **(15,808.28)** | **(35,662.12)** | **(60,458.72)** |
| **Assets** | **79,064.36** | **92,200.32** | **121,784.49** | **125,374.50** | **119,785.76** |
| Direct investment abroad | 5,041.01 | 5,864.59 | 7,407.15 | 8,644.65 | 10,258.94 |
| Portfolio investment abroad | 12,928.11 | 14,551.02 | 16,637.23 | 19,883.84 | 23,332.99 |
| Equities | 11,508.14 | 12,995.82 | 14,908.17 | 17,505.46 | 20,264.78 |
| Debt Securities | 1,419.96 | 1,555.21 | 1,729.06 | 2,378.38 | 3,068.21 |
| Other foreign assets | 28,755.99 | 39,144.93 | 53,909.69 | 53,998.69 | 51,952.28 |
| Trade Credits | 73.83 | 71.46 | 80.47 | 102.92 | 129.81 |
| Loans | 2,069.69 | 2,269.29 | 2,647.60 | 2,949.95 | 2,063.08 |
| Currency and Deposits | 26,612.46 | 36,804.18 | 51,181.62 | 50,945.82 | 49,759.39 |
| Reserve Assets | 32,339.25 | 32,639.78 | 43,830.42 | 42,847.31 | 34,241.54 |
| **Liabilities** | **95,137.44** | **112,111.79** | **137,592.77** | **161,036.62** | **180,244.48** |
| Direct investment | 60,326.67 | 69,241.56 | 76,368.94 | 81,977.41 | 86,671.23 |
| Portfolio investment | 18,116.78 | 23,309.58 | 40,510.07 | 54,162.23 | 59,454.99 |
| Equities | 8,506.64 | 11,098.92 | 21,138.89 | 26,716.30 | 27,761.26 |
| Debt Securities | 9,610.14 | 12,210.67 | 19,371.18 | 27,445.92 | 31,693.73 |
| Other Investment Liabilities | 16,693.98 | 19,560.64 | 20,713.75 | 24,896.99 | 34,118.25 |
| Trade Credits | - | - | - | - | - |
| Loans | 11,142.12 | 12,634.96 | 13,859.94 | 17,181.52 | 22,795.02 |
| Currency and Deposits | 5,551.86 | 6,925.68 | 6,853.81 | 7,715.47 | 11,323.23 |

Source: CBN

**Figure 7.10: Net International Investment Position (IIP), 2010 - 2014 (US$' Million)**




Source: CBN

## 7.6 EXCHANGE RATE MOVEMENTS

The exchange rate of the naira to the US dollar at the three segments of the foreign exchange market was relatively stable from January till October 2014. Thereafter, the market witnessed severe pressure which resulted in the volatility of the rate. To mitigate the situation, the Bank introduced some reforms on November 25, 2014 which included the adjustment of the mid-point of the official exchange rate from ₦155/US$ to ₦168/US$ and the widening of the exchange rate band by 200 basis points from ± 3% to ±5%.

Following the developments, the annualised average exchange rate of the naira to the US dollar at the rDAS segment depreciated by 0.8 per cent, from the level in 2013 to N158.55 per US dollar. Similarly, at the inter-bank and BDC segments, the naira depreciated by 3.4 per cent to ₦164.88/US$ and by 5.3 per cent to ₦171.45/US$, respectively, in 2014. Thus, the premium between the annual average rDAS/interbank grew to 4.0 from 1.2 in 2013. The rDAS/BDC premium also widened to 8.1 per cent in 2014, from 3.3 per cent in 2013, respectively. The rDAS/BDC premium exceeded the internationally acceptable benchmark of 5.0 per cent.

**Figure 7.11: Demand and Supply of Foreign Exchange, and Exchange Rate Premium**

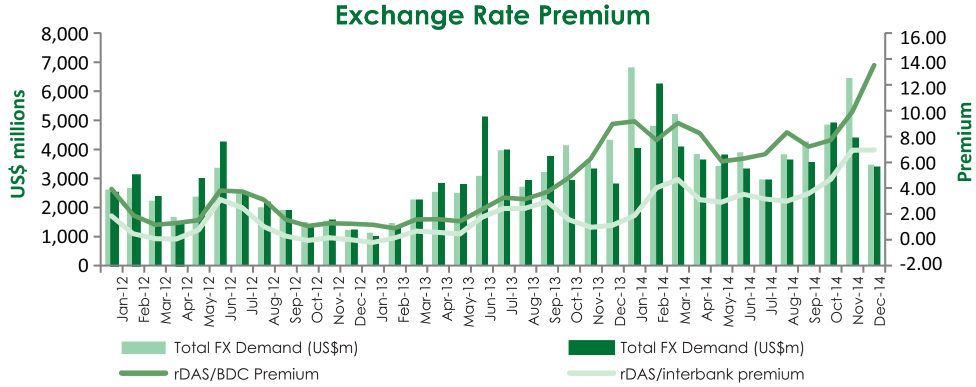
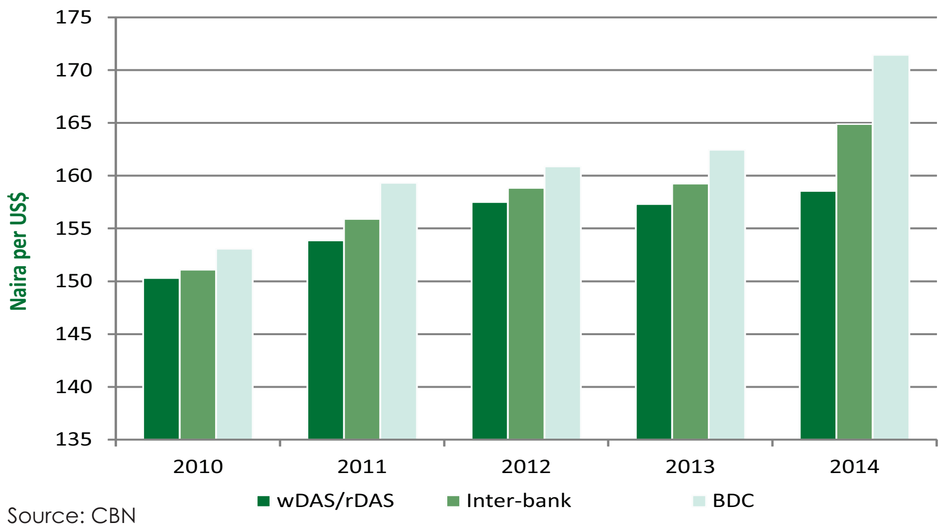



**Figure 7.12: Average Annual Exchange Rate of the Naira per US Dollar, 2010 - 2014**

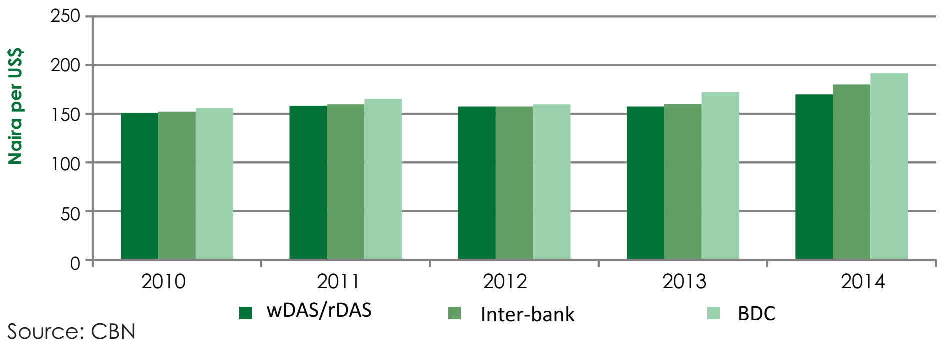



Source: CBN

The end-period exchange rate of the naira to the US dollar at the rDAS segment fell by 7.3 per cent from the level in 2013 to ₦169.68 per US dollar. At the inter-bank and BDC segments, the naira depreciated by 11.2 and 10.2 per cent and closed at ₦180.00/US$ and ₦191.50/US$, respectively. Consequently, the premium between the rDAS/inter-bank and rDAS/BDC end-period rates, which stood at 1.7 and 9.4 per cent in 2013, widened to 6.1 and 12.9 per cent, respectively.

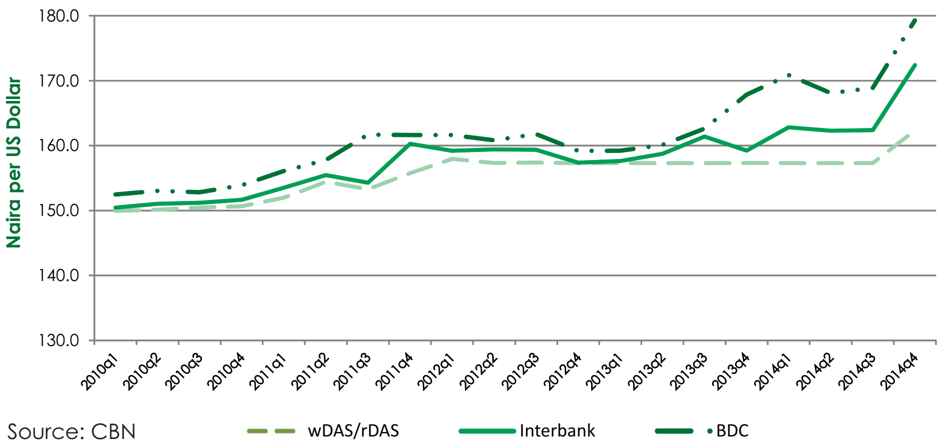
The performance of the naira at the three segments of the market was due, largely, to capital reversals which created the demand pressure experienced in the last quarter of the year.

**Figure 7.13: End-Period Exchange Rate of the Naira per US Dollar, 2010 - 2014**




Source: CBN

**Figure 7.14: Exchange Rate of the Naira Quarterly Average vis-à-vis US Dollar, 2010 - 2014**

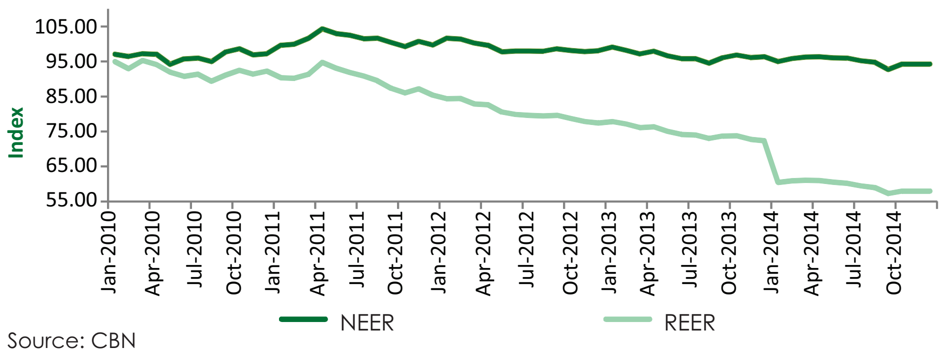



Source: CBN

## 7.7 THE NOMINAL AND THE REAL EFFECTIVE EXCHANGE RATES

The average 13-currency nominal effective exchange rate (NEER) indices declined by 1.1 per cent from the level in 2013 to 95.57, while the average 13-currency real effective exchange rate (REER) indices fell by 6.2 per cent from the level in 2013 to 59.66. The REER index opened at 60.43 in January 2014, and closed 1.9 per cent lower in December 2014.

**Figure 7.15: Nominal and Real Effective Exchange Rate Indices, 2010 - 2014**




Source: CBN

**Table 7.7: Nominal and Real Effective Exchange Rate Indices (November 2009=100)**

| | 2013 | | 2014 | | Percentage Change | |
|---|---|---|---|---|---|---|
| | Monthly Index | Annual Average Index | Monthly Index | Annual Average Index | Monthly Index | Annual Average Index |
| **NEER** | 96.16 | 96.66 | 98.10 | 95.57 | (2.02) | (1.11) |
| **REER** | 61.52 | 63.60 | 59.27 | 59.66 | (3.66) | (6.19) |

Source: CBN

# CHAPTER EIGHT

## INTERNATIONAL AND REGIONAL INSTITUTIONS

*The Spring and Annual Meetings of the Bretton Woods Institutions (BWIs) were concerned about the continued slow and uneven pace of global economic recovery, arising mainly from disruptive capital flows and exchange rate volatility associated with the exit from the use of unconventional monetary policy tools by some advanced economies. Accordingly, it recommended critical structural reforms in all countries, and the continuation of accommodative monetary policy in economies experiencing idle capacity. At the regional level, the 7th Annual Meetings of the AU/ECA Conference of Ministers of Finance, Economic Development and of the Central Bank Governors, emphasised the need for Africa to refocus its economic development strategies on industrialisation while urging the expansion of central banks' mandates to include development financing and credit facilitation to development finance institutions. At the sub-regional level, the 1st and 2nd meetings of the Presidential Task Force on the ECOWAS Monetary Co-operation Programme were held in Niamey, Niger Republic, and Accra, Ghana, respectively. The meetings reviewed the status of implementation of the convergence criteria towards the ECOWAS single currency programme and urged member states to ensure their domestication and integration into the national economic management framework of the ECOWAS protocols relating to monetary integration.*

### 8.1 THE INTERNATIONAL MONETARY SYSTEM

#### 8.1.1 The Group of Twenty Four (G24) and the IMF/World Bank Meetings

The 2014 Spring and Annual Meetings of the Bretton Woods Institutions were held in Washington D. C., USA, from April 7 – 13 and October 6 – 13, 2014, respectively. The meetings were held at the side lines of those of the Ministers of the Inter-governmental Group of 24 (G-24), the International Monetary and Finance Committee (IMFC) of the IMF and the Development Committee (DC) of the World Bank Group.

The G-24 Ministers noted that although the global economic recovery continued to be tepid and uneven, economic fundamentals in most emerging market and developing countries (EMDCs) were generally strong. The EMDCs were expected to drive global growth in the medium term. Growth in low-income countries (LICs) was robust, supported by sound macroeconomic policies and structural reforms. Notwithstanding these developments, global economic headwinds arising from the slower-than-expected growth in the euro area, Japan, and some EMDCs, led to a downward revision of global growth. Other factors included: risks from disruptive capital flows and exchange rate volatility associated with the exit from the use of unconventional monetary policy by some advanced economies (AEs); rising geo-political tensions; and sharp correction in the financial markets.

The IMFC advised that priority should be given to bolstering actual and potential growth while ensuring resilience and sustainability. The meetings also recommended the continuation of accommodative monetary policy in economies experiencing slack, in addition to critical structural reforms in all countries. It further advised that particular emphasis should be placed on measures to: boost labour demand and supply, including reducing youth unemployment and increasing opportunities for women and older workers in the economy; improve credit flow to productive sectors; and enhance the business environment to support private investment. Additional public and private infrastructure investment was also important for supporting the recovery and lifting growth potential, particularly in countries with clearly identified projects, idle capacity and fiscal space.

The DC noted that investment in infrastructure, including energy, was crucial to sustaining economic growth and ensuring shared prosperity. It encouraged the World Bank Group (WBG) to continue its operational and advisory support to improve infrastructure. The establishment of the Global Infrastructure Facility (GIF) was a welcome step to launch a platform that would facilitate the mobilisation of private capital for infrastructure projects. The DC urged the WBG and IMF to support countries to deliver efficient, reliable, affordable, and sustainable energy, including through the Sustainable Energy for All Initiative.

### 8.1.2 The Technical Committee of the Group of Twenty Four (G24) Meeting, March 10 – 11, 2014

The Intergovernmental Group of Twenty Four Technical Group Meeting discussed, amongst other things, developments in the global economy, development finance, debt and debt sustainability, and administrative matters. The Meetings:

- Observed that the world economy was still weak with crisis management in the US and Europe being handled in an unsatisfactory manner, while China's response was seen to have created excess capacity and debt overhang;

- Noted that recoveries from financial crises were sluggish because of delays in repairing balance sheets, coupled with debt overhang and unviable investment. In addition, there were shortcomings in policy response both in the US and EU characterised by a reluctance to remove debt overhang through comprehensive and timely restructuring and write-downs;

- Advised developing countries to organise their affairs, to reduce dependence on foreign markets and capital flows/commodities;

- Adjudged as unsustainable the heavy reliance on bank financing for cross-border flows and the huge infrastructure gaps in developing countries, which indicated a need for long-term financing;

- Agreed that, although public debt is an important macroeconomic policy tool, excessive debt accumulation was fiscally unsustainable; and

- Inaugurated the Task Force to review the effectiveness of the G24, and its membership as well as assess the financial sustainability of the Group.

**8.1.3 The G20 Finance Ministers and Central Bank Governors Meetings**

The meeting focused on global growth, especially as it affected the G20 countries. Coordinating policies to maximise growth and minimise unintended effects remained a central role of the G20 in 2014. New approaches to ensure sustainable growth in the years ahead were discussed as the way to bolster confidence, create employment opportunities, lift people out of poverty, and build national prosperity. The meeting welcomed recent signs of improvement in the global economy, in particular, growth strengthening in the United States, the United Kingdom and Japan alongside continued solid growth in China and many emerging market economies, and the resumption of growth in the euro area.

The Meeting agreed that the global economy faced weaknesses in demand in some areas, and growth remained below the rates needed to get people back to jobs.

**8.1.4 The World Economic Forum (WEF)**

The World Economic Forum on Africa was held in Abuja, Nigeria, from May 7 – 9, 2014. The Forum, with the theme, "Forging Inclusive Growth, Creating Jobs" was attended by about 1,000 regional and global leaders and participants. The Forum discussed innovative structural reforms and investments that could sustain the continent's growth while creating jobs and prosperity. Major issues covered during the sessions included: the Private Sector, Public Works; Engaging in Energy, Africa Growth Outlook; Industries for Impact; Africa Rising; Unlocking Job-Creating Growth; and Sustaining Business in Africa, amongst others.

During the Forum, Africa's economic growth prospects were further boosted by over US$68 billion in investment commitments, in the form of Foreign Direct Investments (FDI), including public and private investments across the continent. The funds would be used for projects expected to foster growth in agriculture, as well as improve infrastructure, such as; transportation (railways and roads), education, health, Information and Communication Technology (ICT), and skills development. China disclosed that it would invest US$42 billion in the continent, out of which US$30 billion would be used for the extension of credit lines, US$10 billion to finance investment, and US$2 billion for the China-Africa Investment Fund.

The Forum also attracted US$16 billion investment commitment for Nigeria from the Dangote Group in the next 4 years to deliver about 180,000 new jobs. In addition, the 'Safe Schools Initiative' was launched by the Nigerian coalition in collaboration with the United Nations and the UN Special Envoy on Global Education. The Initiative, which aimed at protecting young people's right to education in Nigeria and a safer learning environment, would benefit 500 schools in the North-East in the pilot phase.

### 8.1.5 International Commodity Organisations

#### 8.1.5.1 The International Cocoa Organisation (ICCO)

The 89th Regular Session of the International Cocoa Organisation (ICCO) was held in Zurich, Switzerland from March 10 – 14, 2014. The meeting lifted Nigeria's suspension and restored her voting rights after payment of the contribution due for 2012/2013.

#### 8.1.5.2 The Alliance for Cocoa Producing Countries (COPAL)

The Extraordinary General Meeting (EGM) of the Alliance for Cocoa Producing Countries (COPAL) was held from April 24 – 25, 2014 in Abidjan, Côte d'Ivoire, to deliberate on three major issues - relocation of the headquarters of COPAL; payment of contributions by member countries; and consideration of the revised administrative budget. The meeting:

- Recommended the temporary relocation of the headquarters of COPAL from Lagos, Nigeria, to Lome, Togo, subject to the agreement of the Heads of State of member countries. The relocation was premised on the fact that the Organisation could no longer operate effectively because of unsuitable office accommodation; and

- Agreed that a dedicated bank account should be opened in Abidjan, Côte d'Ivoire, to receive the contributions of members.

#### 8.1.5.3 The World Cocoa Conference

The 2$^{nd}$ World Cocoa Conference was held in Amsterdam, The Netherlands, from June 9–13, 2014. Participants reviewed the implementation of the Global Cocoa Agenda adopted in November 2012 in Abidjan, Côte d'Ivoire, among others. The agenda provided the roadmap towards achieving a sustainable world cocoa economy. It outlined the strategic challenges facing the cocoa value chain, the recommended actions to address them, and the responsibilities of stakeholders in the cocoa industry at national, regional and international levels. The conference agreed that:

- Fully-inclusive and participatory Public-Private Partnership (PPP) platforms to design and implement National Cocoa Plans should be established or strengthened;

- National Cocoa Plans should give priority to policies that empower farmers and improve their income in a clear and measurable way;

- National Cocoa Plans should provide for the inventory of cocoa resources to assist in the process of production planning and evaluation of the impact;

- Working groups should be established within the framework of the national platforms to investigate country-specific issues, such as the improvement of productivity and quality, cocoa genetic resources, and consumption promotion;

- International coordination of cocoa sustainability programmes should be improved by building on existing initiatives, such as Cocoa Connect; and

- A working group should be set up to study the feasibility of establishing a global cocoa sustainability fund to provide direct and timely financing of projects and programmes in the cocoa industry.

**8.1.5.4 The Organisation of Petroleum Exporting Countries (OPEC)**

The Organisation of Petroleum Exporting Countries (OPEC) held its 165th and 166th meetings in Vienna, Austria on June 11 and November 27, 2014, respectively. The first meeting reviewed oil market developments and supply/demand projections for the second half of the year, as well as the outlook for 2015. It noted that the relative stability of prices during the first half of 2014 was an indication that the market was adequately supplied, as periodic price fluctuations reflected more of the effect of geopolitical tensions than a response to fundamental factors. The meeting noted that while world oil demand was expected to rise from 90.0 mb/d in 2013 to 91.1 mb/d in 2014, non-OPEC supply was projected to grow by 1.4 mb/d, with the Organisation of Economic Cooperation and Development (OECD) stock levels remaining comfortable. The meeting decided that member countries should adhere to the existing production level of 30.0 mb/d.

The second meeting elected Mrs. Diezani Alison-Madueke, Nigeria's Petroleum Resources Minister, as President of the Conference for the next one year, and Dr. Mohammed Bin Saleh Al Sada, Minister of Energy and Industry of Qatar, as Alternate President. The meeting reviewed the oil market outlook, in particular supply/demand projections for 2015. It noted that although world oil demand was estimated to increase during 2015, this would be offset by the projected increase of 1.36 mb/d in non-OPEC supply.

The meeting was concerned about the rapid decline in oil prices from the second half of the year, but in the interest of restoring market equilibrium, decided to maintain the current production level of 30.0 mb/d agreed in December 2011. Member countries, however, expressed their readiness to respond appropriately to any developments that could adversely affect the stability of the oil market.

### 8.1.6 Bilateral Relations

#### 8.1.6.1 The Nigeria-Jamaica Joint Commission

The 3rd Session of the Nigeria-Jamaica Joint Commission was held in Kingston, Jamaica, from June 25 – 26, 2014. The two sides reiterated their commitment to:

- Organise reciprocal participation in trade fairs organised by both countries;
- Collaborate at the level of a Memorandum of Understanding (MoU) between the chambers of commerce of both countries;
- Exchange trade missions;
- Cooperate on export promotion;
- Establish an inter-bank correspondent linkage between banks in both countries;
- Exchange ideas on banking and monetary matters by the Central Bank of Nigeria (CBN) and the Bank of Jamaica; and
- Collaborate on sugar production, processing and research programmes.

#### 8.1.6.2 The Nigeria-Liberia Joint Commission

The inaugural session of the Nigeria-Liberia Joint Commission was held in Abuja, Nigeria, from July 14–15, 2014. The session recognised trade as an essential and indispensable component in the deepening and broadening of relations between the two countries. The Commission agreed to cooperate in:

- Agricultural production and agribusiness, fisheries and aqua-culture, and food security; and
- The mining sector and explore the comparative advantage of Liberia in the sector.

#### 8.1.6.3 The Nigeria-Democratic People's Republic of Korea (DPRK) Joint Commission

The 4th session of the Nigeria-Democratic People's Republic of Korea (DPRK) Joint Commission meeting was held in Abuja, Nigeria, from May 5 – 6, 2014. The two countries recognised the need to deepen bilateral relations in the following areas:

- Industrial development through economic, trade, investment and industrial cooperation; and

- Water supply for agricultural, industrial and domestic use.

**8.1.6.4 The Nigeria-Benin Joint Commission**

The 5th session of the Nigeria-Benin Joint Commission was held in Cotonou, Benin Republic, from December 18 – 19, 2014. The session deliberated on economic and trade matters and agreed on the avoidance of double taxation, and cooperation in water resources management.

**8.1.6.5 The Nigeria-Germany Bi-National Commission**

The 2nd plenary session of the Nigeria-Germany Bi-National Commission was held on October 21, 2014 in Berlin, Germany. On economic relations, both countries agreed on mutually beneficial integrated action towards exploiting opportunities for trade and investment between the two countries. The Commission:

- Agreed to resolve issues relating to withholding tax before end-December 2014;

- Agreed to commence discussion on an Avoidance of Double Taxation Agreement from the first quarter of 2015;

- Encouraged Nigeria to participate at sector-specific trade fairs for the acquisition of expertise and equipment for SMEs;

- Proposed the establishment of an Innovation Centre for the Food and Agriculture sector under the One World Without Hunger Initiative of the German Government; and

- Noted the offer by the German side to assist in capacity building and technical know-how to the proposed Nigerian Economic Development Bank.

**8.1.6.6 Bilateral Trade Agreements with Namibia**

During the state visit of President Goodluck Jonathan to the Republic of Namibia in March 2014, Nigeria signed six MoUs with the host country on Foreign Affairs, Culture and Tourism, Technical Cooperation on the Provision of Medical Services, Geology, Mutual Legal Assistance on Criminal Matters and Extradition and Air Services, including economic cooperation. Both sides agreed to increase and strengthen the level of economic and trade cooperation for the mutual benefits of their citizens.

## 8.2 REGIONAL INSTITUTIONS

### 8.2.1 The African Union (AU)

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".

The leaders discussed issues relating to agricultural development and transformation in Africa, and the restoration of peace to the Central African Republic, South Sudan and Mali. The Summit also marked the tenth anniversary of the Comprehensive Africa Agriculture Development Programme (CAADP), which is a pan-African framework for revitalising agriculture, food security and nutrition. The Programme aims to assist African countries reach a higher path of economic growth through agriculture-led development. Under the Programme, African governments made commitment to allocate at least 10 per cent of their annual national budgets to the agriculture sector.

### 8.2.2 The Association of African Central Banks (AACB)

The Bureau of the Association of African Central Banks (AACB) held two ordinary meetings in 2014. The first Meeting was held on February 26, 2014, in Dakar, Senegal, and was preceded by the Technical Committee meeting on February 24 and 25, 2014. The meeting reviewed the level of implementation of the decisions by the Assembly of Governors at the 37th Ordinary Meeting and adopted the report of the symposium held in Mauritius in August 2013. Also, the level of implementation of the African Monetary Cooperation Programme (AMCP) was reviewed.

The Report of the Joint AUC-AACB Study and the Strategy for the creation of the African Central Bank was also approved at the Meeting. However, the implementation strategy and the establishment of an African Monetary Institute (AMI) were not approved, based on reservations by South Africa.

The meeting also adopted the draft Terms of Reference for the Continental Seminar on the theme, "The Imperatives for Improvement and Integration of Payment Systems in Africa" for the year 2014. The participation of Bankers' Committees of member countries and leading consultancy firms on payment systems was approved. The Banque d'Algérie hosted the Seminar from May 5 to 7, 2014.

The Work plan for 2014-2016, the budget and the internal rules of the Community of African Banking Supervisors were approved by the Bureau, as well as authorisation of the implementation of the Work plan prior to the adoption by the Assembly of Governors in August 2014. It also approved the request by the Making Finance Work for Africa' (MFW4A) initiative to use AACB's logo on the draft book entitled, "Making Cross Border Banking Work for Africa" which was launched in June 2014.

The AACB Chairman was commended for his initiative on the request for a third seat for sub-Saharan Africa on the IMF Board. The Bureau, however, observed that a press release by the IMF, dated January 13, 2014, left Africa's quota unchanged. Consequently, it recommended the broadening of the platform for sensitisation and assistance by including African Heads of Government, the United Nations, AUC, and other international bodies.

The 2nd meeting of the Bureau of AACB was held on December 4, 2014 in Port Louis, Mauritius. The meeting:

- Directed the Secretariat to circulate the 2015 work programme and budget of the AACB to the Governors for approval by December 19, 2014;

- Commended the launch of a survey on member countries' skill gaps in banking supervision and regulation, as well as the establishment of an intranet platform to facilitate interaction among supervisors;

- Endorsed the support of donor agencies, such as GIZ and MFW4A, on the activities of CABS reiterating that CABS should be the focal point for activities on cross-border banking and other related issues;

- Directed the Secretariat to develop the amendments to the relevant Articles of AACB Statutes, which should be circulated to members at least three months prior to the next Assembly Meeting, considering that the current AACB Statute did not provide for situations whereby the Annual Meetings are postponed due to unforeseen circumstances; and

- Directed the Secretariat to circulate a list of proposed themes to central banks for the Continental Seminar scheduled for May 2015 and suggested that Financial Inclusion be among the proposed themes.

### 8.2.3 The African Development Bank

The African Development Bank (AfDB) and the African Union Commission (AUC) signed a new project grant on January 29, 2014. The Project is expected to strengthen the capacity of African countries, through their respective Regional Economic Communities, as well as the AUC and NEPAD Planning and Coordinating Agency (NPCA), to plan, prepare and coordinate the implementation of regional infrastructure programmes. It would also facilitate the implementation of projects necessary for enhancing Africa's economic integration and socio-economic transformation, with a focus on the Programme for

Infrastructure Development in Africa (PIDA). The grant for capacity building for the project was US$8.6 million over a period of three years.

The Board of Directors of the African Development Bank, on March 26, 2014, approved a US$205 million Urban Water Sector Reform and Port-Harcourt Water Supply and Sanitation Project in Nigeria. The project aims to provide residents of Port-Harcourt City in Rivers State with sustainable access to safe drinking water and sanitation as well as strengthen the Federal Government's capacity to reform and scale up water supply and sanitation service delivery across the country.

**8.2.3.1 Annual Meetings of the African Development Bank (AfDB)**

The 49th Annual Meeting of the Board of Governors of the AfDB and the 40th Annual Meeting of African Development Fund were held in Kigali, Rwanda, from May 19 – 23, 2014. The theme of the 2014 Annual Meetings was, "The Next 50 Years – The Africa We Want". The theme focused on Africa's transformation agenda and how the continent can grow its economy through diversification, export competitiveness, increased productivity, integration and technological innovation by broader collaboration between the public and the private sectors.

### 8.2.4 Joint African Union (AU) Conference of Ministers of Economy and Finance, and Economic Commission for Africa (ECA) Conference of African Ministers of Finance, Planning and Economic Development

The 7th Joint Annual Meeting of AU/ECA Conference of Ministers of Finance, Planning and Economic Development was held in Abuja, Nigeria, from March 29 – 30, 2014. The theme of the Conference was, "Industrialisation for Inclusive and Transformative Development in Africa".

**8.2.4.1 The Committee of Experts Meeting**

The Committee of Experts Meeting commenced with the election of Nigeria as the Chair of the Committee, while Mauritania, Malawi and Equatorial Guinea were elected as the first, second and third Vice-Chair, respectively, and the United Republic of Tanzania as Rapporteur. The Experts discussed several reports and made recommendations accordingly. The issues discussed included the following:

- Recent economic and social developments in Africa;
- Progress towards the Millennium Development Goals and the common African position on the post-2015 development agenda;
- Assessment of progress on regional integration in Africa;

- Presentations on the theme, "Industrialisation for Inclusive and Transformative Development in Africa";
- The new continent-wide gender and development initiative;
- African regional integration index; and
- The report on South-South and triangular cooperation in support of Africa post-2015.

At the end of deliberations, the Committee of Experts presented its report with fifteen draft resolutions for consideration and adoption by the Conference of Ministers.

**8.2.4.2 The Caucus Meeting of African Central Bank Governors**

The Caucus Meeting of African Central Bank Governors was held on March 27, 2014, in Abuja, Nigeria, in parallel with the 7th Joint Annual Meetings of AU/ECA Conference of Ministers of Finance. The Meeting on the theme, "Industrialisation for Inclusive and Transformative Development in Africa: The Role of Central Banks", was chaired by Nigeria. It provided a platform for African Central Bank Governors to deliberate on key issues that were relevant for central banks' role in fostering industrialisation for structural transformation and inclusive development in Africa. The meeting agreed that:

- The role of central banks as economic advisers to government should be exploited in the context of promoting domestic and continental industrialisation agenda;
- The expansion of central banks' mandate from promotion of price stability to include critical developmental roles with effective support to the fiscal authorities, within a macro-economic policy framework should be explored;
- Central banks can use monetary policy, through credit and exchange rate policies, to support growth and industrialisation as done in India, Cambodia, and China; and
- To enhance financial inclusion, the Kenya payments system should be replicated as the model at the sub-regional and regional levels in Africa.

**8.2.4.3 The Conference of Ministers of Finance, Planning and Economic Development**

The Ministerial Conference was held from March 29 - 30, 2014. At the plenary, Nigeria was elected as the Chair of the Bureau for the next one year. The plenary entailed high-level ministerial policy dialogues on the theme of the conference. During the conference, The

Economic Report on Africa 2014 was jointly launched by the Economic Commission for Africa and the African Union Commission. The report emphasised the need for Africa to refocus its economic development strategies on industrialisation, particularly on the means for formulating and implementing industrial policies. The meeting recommended the following:

- African capital should be made to work for Africa's development;
- Expansion of central banks' mandates to include development financing by involving central banks in credit facilitation to development finance institutions;
- Development of small and medium enterprises, and micro-finance institutions to encourage talents and improve skills acquisition;
- Independence of central banks;
- Government budgets should be targeted at stimulating private sector development;
- The private sector should be the hub and pole driving industrial growth; and
- Sensitisation of all governments globally on the need to stop illicit financial flows.

## 8.3 SUB-REGIONAL INSTITUTIONS

### 8.3.1 The Economic Community of West African States (ECOWAS)

The 1st and 2nd meetings of the Presidential Task Force on the ECOWAS Monetary Cooperation Programme (EMCP) was held in Niamey, Niger Republic, from February 20 - 21, 2014 and in Accra, Ghana, from July 7 – 8, 2014. The purpose of the meetings was to examine the status of implementation of the convergence criteria by various member countries towards attaining a Single Currency Union in the ECOWAS sub-region. The Presidential Task Force on the EMCP was set up to advise the President of Ghana, H.E John Dramani Mahama and the President of Niger Republic, H.E. Mahamadou Issoufou, on the fast-track approach to monetary integration in the sub-region.

The meeting was attended by the Governors of Central Banks of ECOWAS member states from The Gambia, Ghana, Guinea, Liberia, Sierra Leone, UEMOA, and Nigeria. After extensive deliberation, the Presidential Task Force recommended the following to the two Presidents:

- The monetary union to be established in 2020 should be based on solid macroeconomic fundamentals;

- The ECOWAS Commission should continue to work with other regional institutions involved in the implementation of a multilateral surveillance mechanism of ECOWAS to ensure effective implementation of the revised roadmap;

- Member States should ensure the domestication of protocols and decisions on the single regional currency programme and also strive to integrate macroeconomic convergence criteria in their macroeconomic management framework and other national development programmes; and

- Central banks should continue to demonstrate a strong commitment to the ECOWAS Monetary Cooperation Programme and facilitate policy harmonisation in the areas of banking regulation, monetary policy frameworks and the modernisation of payment systems.

**8.3.2 The West African Monetary Agency (WAMA)**

The 2013 End-of-Year Statutory Meetings of the Economic and Monetary Affairs Committee and the Operations and Administration Committee of the West African Monetary Agency (WAMA) was held in Banjul, The Gambia, from January 8 - 17, 2014. The West African Monetary Zone (WAMZ) also held its parallel meeting in view of the cross-cutting issues discussed.

The WAMZ meeting:

- Agreed that the computation of non-performing loans (NPLs) across the Zone be standardised, based on the Basel core principles reporting templates to allow for a uniform treatment/reporting format;

- Rejected the recommendation of the Technical Committee that the convergence criteria be relaxed, especially the fiscal deficit criterion, on the grounds that fiscal discipline is a critical factor in achieving economic convergence/single currency in the Zone;

- Urged member countries to demonstrate the political will to drive the monetary integration process;

- Endorsed the recommendation that the budgetary contribution of member countries be reviewed, in line with the relevant ECOWAS protocols and applied with effect from 2015;

- Noted the interim report on the "State of Preparedness of WAMZ Countries for a Monetary Union in January 2015" and endorsed the recommendation, that the final Report to be presented in June 2014 propose a suitable date and roadmap for the launch of the monetary union if 2015 was not feasible; and

- Approved the report of the College of Supervisors of the WAMZ (CSWAMZ) and directed the college to undertake a study on "Dollarisation in the Zone," and a "Gap Analysis on Prudential Guidelines in the Zone".

The WAMA meeting:

- Emphasised the need for member states to take necessary measures to ensure speedy ratification and domestication of regional protocols, conventions and legal instruments relating to monetary integration;

- Encouraged member states to effectively implement the ECOWAS Trade Liberalisation Scheme (ETLS);

- Urged members to integrate the macroeconomic convergence criteria into their national macroeconomic frameworks;

- Appealed to the ECOWAS Commission to accelerate the process of harmonisation of public finance frameworks in the region and harmonisation of the statistical methodologies, as well as encourage member states to adopt and implement when completed; and

- Approved the revised matrix on the Roadmap for the ECOWAS Single Currency Programme.

### 8.3.3 The West African Monetary Zone (WAMZ)

The 31st Statutory Meeting of the WAMZ was held from July 14 – 17, 2014 in Abuja, Nigeria. Nigeria was elected Chairman of the Convergence Council of Ministers and Governors of the WAMZ, held on July 17, 2014. The meeting was preceded by the meetings of the Technical Committee and Committee of Governors. In attendance were member central banks, Ministers of Finance/Economy, The ECOWAS Commission, and other regional institutions. Highlights of the meeting's decisions were the following:

- Adopted the findings of the study on the State of Preparedness which indicated that the level of macroeconomic convergence, as well as legal and institutional preparedness for the successful launch of the monetary union on January 1, 2015 were inadequate;

- Urged member states to work assiduously to meet the new target date of 2020 in line with the decision of the Authority of Heads of State;

- Noted the decision of ECOWAS Heads of State and Government endorsing the single-track approach to monetary union by 2020;

- Directed WAMI to implement the revised ECOWAS set of 6 macroeconomic convergence criteria during its subsequent surveillance missions, while taking steps to bring to the attention of the Authority concerns expressed regarding the downgrading of financing criterion of central bank in the WAMZ;

- Encouraged the ECOWAS Commission to fund the activities under the Roadmap of ECOWAS single currency programme;

- Recommended the strengthening of the regional monetary integration institutions (WAMI and WAMA) to enable them effectively implement their redefined roles;

- Requested the Governor of the Bank of Ghana, on behalf of the Committee of Governors of WAMZ, to resolve the issue of the social security contributions by WAMI;

- Directed WAMI to present at the next meeting a detailed position paper on the proposed transformation of the Institute to a Commission, which is envisaged to speed up the integration process in ECOWAS, and provide a forum for meaningful dialogue among member states;

- Directed WAMI to re-examine the proposals on quoting and trading with a view to determining the appropriate role of central banks for consideration at the next statutory meetings;

- Encouraged the reinvigoration of the WAMZ Trade Ministers Forum to make its decisions effective and binding, and urged the Ministers to attend the meetings;

- Approved the Audited Financial Statements of WAMI as presented;

- Directed WAMI to prepare a report on the costs, policy and institutional imperatives for the achievement of the single currency by 2020 for submission to the Technical Committee at its next meeting; and

- Urged the ECOWAS Commission to consider adopting WAIFEM as an ECOWAS training institute.

### 8.3.4 The West African Institute for Financial and Economic Management (WAIFEM)

The 29th Board of Governors meeting of the West African Institute for Financial and Economic Management (WAIFEM) was held in Abuja, Nigeria on July 16, 2014. The meeting was preceded by the 32nd Meeting of the Technical Committee on July 13, 2014. The Board of Governors deliberated and approved various reports, based on the recommendations of the Technical Committee, as follows: Progress Report by the Director General and the Proposed Programme for 2015; Revised Strategic Plan for the Sustainability of WAIFEM (2015 – 2019); Audit Report for the year-ended December 31, 2013; Training Programme for 2015; and the Annual Report and Statement of Accounts for the year-ended December 31, 2013. Consequently, the Board:

- Approved a five-year strategic plan for the Sustainability of WAIFEM. The programme would entail WAIFEM running Diploma as well as Master's Degree courses in areas where the Institute has a niche, such as in Banking Supervision, Risk and Portfolio Management, etc; and

- Approved the proposal for a Visiting Scholar Scheme by the Institute.

# APPENDIX A

# FINANCIAL STATEMENTS

CENTRAL BANK OF NIGERIA
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

## DIRECTORS' REPORT ON THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2014

### INTRODUCTION

The consolidated and separate financial statements of the Central Bank of Nigeria for the year ended 31st December 2014 were prepared using the International Financial Reporting Standards (IFRS).

The Bank's financial statements were converted to the International Financial Reporting Standards in 2013. 2014 financial statements hereby presented continued to be presented in the newly adopted framework

### RESULTS

The Net Income for the year is N35.422 billion for the Bank while the Group's Net Income is N33,893 billion. In line with the provisions of the Fiscal Responsibility Act 2011, 20% of the net Income of the bank (exclusive of unrealized gain) will be credited to retained earnings while the balance will be paid to the Federal Government of Nigeria. After considering the effects of the unrealized gains as stated in note 33a, no payments will be made to the Federal Government in the financial year.

### CORPORATE GOVERNANCE

The Board of Directors is the highest policy making organ of the Bank. Board decisions are taken with submissions from various board committees and departmental directors.

The Committees of the Board are:

1. Committee of Governors
2. Finance and General Purposes Committee
3. Audit and Risk management Committee
4. Establishment Committee
5. Major Contracts Tenders Committee

CENTRAL BANK OF NIGERIA
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

6. Investment Committee
7. Monetary Policy Committee
8. Corporate Strategy Committee
9. Financial System Stability Committee
10. Remuneration, Ethics and Anti-Corruption
11. CBN Pension Fund Management

Apart from the Committee of Governors which is the executive management of the Bank, the composition of the other committee includes the right mix of both the executive and non- executive Directors for effective good governance.

A centralized integrated risk management co-ordination function is performed by the Risk Management Department (RMD). The role of the RMD is to develop, maintain and promote an appropriate risk management policy, framework, approach and culture, methodologies, processes and support systems.

The RMD is also responsible for coordinating and facilitating an integrated and uniform compliance management process in the Group; advancing and facilitating specialized operational risk management process, including business continuity, occupational health and safety and information security.

The Internal Audit Department of the Bank provides independent objective assurance of the adequacy and effectiveness of control, risk management and governance process of the group.

**ETHICS MANAGEMENT**

The Bank, as the central Bank of Nigeria, must be, and be seen to be, an institution of integrity which maintains the highest ethical standards.

The executive management of the Bank is intensely aware of this core value and expectation, and commits itself to creating a working environment that encourages and facilitates honesty, integrity and ethical behavior.

The Bank is committed to quality, meritocracy and international best practice.

CENTRAL BANK OF NIGERIA
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The Directors present below the state of Affairs of the Group and the Bank as at 31st December 2014, the results and the cashflows of the Group and the Bank in accordance with International Financial Reporting Standards, CBN Act and other relevant laws.

BY ORDER OF THE BOARD

Company Secretary
21 May 2015

**CENTRAL BANK OF NIGERIA**
**FOR THE YEAR ENDED 31 DECEMBER 2014**

## STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

In accordance with the provisions of the Central Bank of Nigeria Act, 2007, the Governor and the Deputy Governors are responsible for the preparation of financial statements which properly present the state of affairs of the Central Bank of Nigeria at the end of the year and its income and expenditures for the year in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) .

The responsibilities include ensuring that:

i the Central Bank of Nigeria keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Bank and comply with the requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

ii appropriate and adequate internal controls are established to safeguard its assets and to prevent and detect fraud and other irregularities;

iii the Central Bank of Nigeria prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied; and

iv it is appropriate for the financial statements to be prepared on a going concern basis.

The Governor and the Deputy Governors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Central Bank of Nigeria and of its income and expenditures and cash flows.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Central Bank of Nigeria will not remain a going concern for at least twelve months from the date of this statement.

Signed on behalf of the Board of Directors by:

Director: Godwin I. Emefiele (CON)
FRC Number: FRC/2013/IODN/00000001080

Director: Adebayo adelabu
FRC Number: FRC/2012/ICAN/00000002303

pwc

EY

**REPORT OF THE INDEPENDENT JOINT AUDITORS TO THE MEMBERS OF CENTRAL BANK OF NIGERIA**

We have audited the accompanying consolidated and separate financial statements of Central Bank of Nigeria ("the Bank") and its subsidiary (together "the Group"), which comprise the statements of financial position as at 31 December 2014, and the income statements, statements of other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

**Directors' responsibility for the financial statements**

The Directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with International Financial Reporting Standards, and the provisions of the Central Bank of Nigeria Act No. 7, 2007 and the Financial Reporting Council of Nigeria Act No. 6, 2011, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' responsibility**

Our responsibility is to express an opinion on these consolidated and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated and separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the consolidated and separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Bank and Group as at 31 December 2014, and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the provisions of the Central Bank of Nigeria Act No. 7, 2007 and the Financial Reporting Council of Nigeria Act No. 6, 2011.

Patrick Obianwa

**For: PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

Engagement Partner: Patrick Obianwa
FRC/2013/ICAN/00000000880
26 May 2015


**For: Ernst & Young**
Chartered Accountants
Lagos, Nigeria

Engagement Partner: Dayo Babatunde, FCA
FRC/2013/ICAN/00000000702
26 May 2015

**CENTRAL BANK OF NIGERIA**
**CONSOLIDATED AND SEPARATE INCOME STATEMENTS**
**FOR THE YEAR ENDED 31 DECEMBER 2014**

| | | Group | | Bank | |
|---|---|---|---|---|---|
| | | 2014 | 2013 | 2014 | 2013 |
| | Notes | N'million | N'million | N'million | N'million |
| Interest and similar income | 5 | 434,773 | 477,787 | 434,712 | 477,693 |
| Interest and similar expense | 6 | (396,321) | (541,134) | (396,291) | (541,099) |
| **Net interest income /(expense)** | | **38,452** | **(63,347)** | **38,421** | **(63,406)** |
| Fees and commission income | 7 | 142,674 | 111,435 | 142,674 | 111,435 |
| Net trading loss | 8 | (17,034) | (5,727) | (17,034) | (5,727) |
| Foreign exchange revaluation gains | 9 | 261,197 | 17,119 | 261,025 | 17,145 |
| Other operating income | 10 | 19,573 | 40,768 | 18,679 | 42,046 |
| **Total operating Income** | | **444,862** | **100,248** | **443,765** | **101,493** |
| Loan impairment reversal | 16 | 24,001 | 142,368 | 24,102 | 141,981 |
| Impairment reversal/(charge) on financial investments | 17 | (1,830) | 283,647 | (1,830) | 283,647 |
| **Net operating income** | | **467,033** | **526,263** | **466,037** | **527,121** |
| Personnel expenses | 12 | (101,406) | (78,835) | (96,991) | (75,755) |
| Financial sector intervention expenses | 13 | (136,968) | (42,774) | (136,968) | (42,774) |
| Depreciation of property, plant and equipment | 28 | (14,427) | (9,755) | (11,191) | (8,009) |
| Amortisation of intangible assets | 27 | (2,688) | (2,918) | (2,688) | (2,915) |
| Currency issue expenses | 14 | (5,509) | (18,699) | (22,791) | (40,057) |
| Other operating expenses | 15 | (172,142) | (162,973) | (159,986) | (147,990) |
| **Total operating expenses** | | **(433,140)** | **(315,954)** | **(430,615)** | **(317,500)** |
| **Net income before share of associates' profit** | | **33,893** | **210,309** | **35,422** | **209,621** |
| Share of profit of associates | 25 | 6,227 | 3,407 | - | - |
| **Net income before tax** | | **40,120** | **213,716** | **35,422** | **209,621** |
| Income tax expense | 18 | (6,520) | (154) | - | - |
| **Net income for the year** | | **33,600** | **213,562** | **35,422** | **209,621** |
| Attributable to: | | | | | |
| Equity holder of the Bank | | 34,498 | 213,512 | 35,422 | 209,621 |
| Non-controlling interests | | (898) | 50 | - | - |
| | | **33,600** | **213,562** | **35,422** | **209,621** |

The accompanying notes on pages 13 to 84 form an integral part of these consolidated and separate financial statements.

**CENTRAL BANK OF NIGERIA**
**CONSOLIDATED AND SEPARATE STATEMENTS OF OTHER COMPREHENSIVE INCOME**
**FOR THE YEAR ENDED 31 DECEMBER 2014**

| | Notes | Group 2014 N'million | Group 2013 N'million | Bank 2014 N'million | Bank 2013 N'million |
|---|---|---|---|---|---|
| **Net income for the year** | | **33,600** | **213,562** | **35,422** | **209,621** |
| **Other comprehensive income** | | | | | |
| *Other comprehensive income/(loss) to be reclassified to net income or loss in subsequent periods net of tax:* | | | | | |
| Net loss on available-for-sale financial assets | 11 | (44) | (85) | (44) | (85) |
| Share of other comprehensive income/(loss) of associates | 25 | 6,458 | (2,259) | - | - |
| **Net other comprehensive income/(loss) to be reclassified to net income or loss in subsequent periods** | | **6,414** | **(2,344)** | **(44)** | **(85)** |
| *Other comprehensive income not to be reclassified to net income or loss in subsequent periods net of tax:* | | | | | |
| Re-measurement gains on defined benefit plans | 32 | 9,465 | 9,536 | 9,198 | 9,614 |
| Share of other comprehensive income of associates | | 554 | 13 | - | - |
| **Net other comprehensive income not to be reclassified to net income or loss in subsequent periods** | | **10,019** | **9,549** | **9,198** | **9,614** |
| **Other comprehensive income for the year** | | **16,433** | **7,205** | **9,154** | **9,529** |
| **Total comprehensive income for the year** | | **50,033** | **220,768** | **44,576** | **219,150** |
| Attributable to: | | | | | |
| Equity holder of the Bank | | 50,900 | 220,727 | 44,576 | 219,150 |
| Non-controlling interests | | (867) | 41 | - | - |
| | | **50,033** | **220,768** | **44,576** | **219,150** |

The accompanying notes on pages 13 to 84 form an integral part of these consolidated and separate financial statements.

**CENTRAL BANK OF NIGERIA**
**CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION**
**AS AT 31 DECEMBER 2014**

| | | Group | | Bank | |
|---|---|---|---|---|---|
| | | 2014 | 2013 | 2014 | 2013 |
| | Notes | N'million | N'million | N'million | N'million |
| **Assets** | | | | | |
| Cash and bank balances | 19 | 3,301 | 7,892 | - | - |
| External reserves | 19 | 5,837,660 | 6,642,813 | 5,837,660 | 6,642,813 |
| IMF Holdings of Special Drawing Rights | 20a | 406,403 | 400,351 | 406,403 | 400,351 |
| Loans and receivables | 21 | 5,005,685 | 4,392,773 | 5,002,834 | 4,392,324 |
| Financial assets at fair value through profit or loss | 22 | 2,404 | - | 2,404 | - |
| Investment securities: | | | | | |
| Available-for-sale | 23 | 4,630 | 4,540 | 4,630 | 4,540 |
| Held to maturity | 23 | 177,642 | 169,394 | 177,642 | 169,394 |
| Investment in subsidiary | 24 | - | - | 25,588 | 23,575 |
| Investments in associates | 25 | 125,570 | 112,698 | 91,966 | 91,866 |
| Quota in International Monetary Fund (IMF) | 20b | 421,713 | 412,015 | 421,713 | 412,015 |
| Employee defined benefit assets | 32 | 28,751 | 7,622 | 28,665 | 7,622 |
| Other assets | 26 | 1,290,908 | 1,424,971 | 1,273,474 | 1,404,237 |
| Intangible assets | 27 | 5,041 | 7,412 | 5,041 | 7,412 |
| Property, plant and equipment | 28 | 431,993 | 373,230 | 374,448 | 337,355 |
| **Total assets** | | **13,741,701** | **13,955,711** | **13,652,468** | **13,893,504** |
| **Liabilities** | | | | | |
| Deposits | 29 | 6,779,515 | 6,128,809 | 6,779,515 | 6,128,809 |
| Central Bank of Nigeria Instruments | 30 | 2,755,611 | 3,739,093 | 2,755,611 | 3,739,093 |
| Bank notes and coins in circulation | 31 | 1,797,832 | 1,776,302 | 1,797,842 | 1,776,305 |
| IMF allocation of Special Drawing Rights | 20d | 406,458 | 400,402 | 406,458 | 400,402 |
| IMF related liabilities | 20c | 421,727 | 412,028 | 421,727 | 412,028 |
| Financial liabilities at fair value through profit or loss | 22 | 24,704 | - | 24,704 | - |
| Employee benefit liabilities | 32 | 81,891 | 66,715 | 81,832 | 66,492 |
| Current income tax payable | 18 | 672 | 475 | - | - |
| Deferred tax liabilities | 18 | 6,586 | 2,834 | - | - |
| Other liabilities | 33 | 917,036 | 928,863 | 887,828 | 918,000 |
| **Total liabilities** | | **13,192,032** | **13,455,521** | **13,155,517** | **13,441,129** |
| **Equity** | | | | | |
| Share capital | 34 | 5,000 | 5,000 | 5,000 | 5,000 |
| Retained earnings | 34 | 535,545 | 491,058 | 492,053 | 447,433 |
| Available-for-sale reserve | 34 | 1,727 | 951 | (102) | (58) |
| Foreign currency translation reserve | 34 | 907 | (4,177) | - | - |
| **Equity attributable to equity holders of the Bank** | | **543,179** | **492,832** | **496,951** | **452,375** |
| Non-controlling interests | | 6,490 | 7,358 | - | - |
| **Total equity** | | **549,669** | **500,190** | **496,951** | **452,375** |
| **Total liabilities and equity** | | **13,741,701** | **13,955,711** | **13,652,468** | **13,893,504** |

The accompanying notes on pages 13 to 84 form an integral part of these consolidated and separate financial statements.

The consolidated and separate financial statements on pages 7 to 84 were approved and authorised for issue by the Board of Directors on 21 MAY 2015 and were signed on its behalf by:

| | | |
|---|---|---|
| | Godwin I. Emefiele (CON)<br>FRC/2013/IODN/00000001080 | Governor |
| | Adebayo Adelabu<br>FRC/2012/ICAN/00000002303 | Director |
| | Jonah O. Otunla | Director |
| | Anastasia M. Daniel-Nwaobia | Director |

# APPENDIX B

## GLOSSARY OF SELECTED TERMS

***Approval in Principle:*** This refers to the granting of an initial permit/permission to any financial institution, pending the time it would meet the necessary requirements for operations to qualify it for a formal licence.

***Balance of Payments (BOP):*** These are records of economic transactions between the residents of a country and the rest of the world during a given period of time. The major components of a BOP are the ***current account, the capital and financial account and the official settlement balance***. The current account comprises transactions arising from the sale or purchase of goods and services and unrequited transfers, while the capital and financial account is the record of assets and financial transactions. The official settlement account is used to equalise any imbalance that may exist in the current and capital accounts so that all the BOP accounts sum to zero.

***Balance of Payments Position:*** *see* ***Foreign Exchange and Balance of Payments Position***

***Bank Credit*** is a major determinant of the money supply and is the amount of loans and advances given by the CBN as well as deposit money banks to economic agents. This is the banking system credit to the economy which can be broken down into bank credit to government (net) and the private sector.

***Capital Expenditure***: Payment for non-financial assets used in the production process for more than one year. Loan amortisation (capital repayment) is included.

***Cost of Capital*** is the cost incurred in securing funds or capital for productive purposes. The cost includes interest rate, legal, administrative and information search charges. This means that the cost of capital is likely to be greater than or equal to interest rates on loans.

***Cost of Funds***: This refers to net expenses incurred in raising funds, including a reasonable profit margin. The expenses include the interest on deposits, reserve requirements and other administrative expenses, as a proportion of total funds borrowed.

***Credit Risk:*** Credit risk arises from the potential that an obligor is either unwilling to perform an obligation, or its ability to perform such an obligation is impaired, resulting in a loss to the Bank. In addition to direct accounting loss, credit risk should be viewed in the context of other economic exposures which include opportunity costs, transaction costs and expenses associated with non-performing assets over and above the accounting loss.

***Debentures*** are fixed interest-bearing securities. They are usually of two types, debenture with floating charge and debenture with fixed charge. Debenture holders are creditors to the company rather than owners.

***Debt Stock/GDP***: This measures the level of domestic indebtedness relative to the country's economic activity.

***Discount House*** is a financial institution devoted to trading in government instruments (treasury bills, bonds, certificates and other eligible instruments).

***Distressed Banks***: These are banks with problems relating to illiquidity, poor earnings and non-performing assets. The extreme case of distress is referred to as insolvency, which implies that a bank's liabilities are more than its assets.

***Dutch Auction System (DAS)***: This is a method of exchange rate determination, through auction, where the bidders pay according to their bid rates. The ruling rate is arrived at with the last bid rate that clears the market where the authorities elect to operate a single exchange rate.

***Equity Price Risk***: Equity price risk is the risk to earnings or capital resulting from adverse changes in the value of the equity-related portfolios of a financial institution. The price risk could relate to changes in the overall level of equity prices or price volatility that is determined by firm specific characteristics.

***Exchange Rate***: This is the price of one currency in terms of another.

***External Assets***: These are the reserves held by the monetary authorities, as well as the banking and non-bank public, in foreign countries. Thus, external assets comprise the external reserves and the private sector holdings of foreign exchange.

***External Reserves***: These are portions of foreign exchange receipts saved by the monetary authorities for the purpose of enhancing the creditworthiness of the economy, protecting the international value of the domestic currency, and financing temporary shocks in the balance of payments. Reserves are held in the form of monetary gold, the reserve position at the International Monetary Fund (IMF), Special Drawing Rights (SDRs), and foreign bank balances.

***Federation Account***: This is an account opened by the Federal Republic of Nigeria into which all revenues of the Federation are paid for eventual distribution to all tiers of government in Nigeria.

***Fiscal Deficit*** refers to the excess of expenditure over revenue of government. It is usually assessed by its size in relation to the nominal Gross Domestic Product (GDP). The fiscal deficits may be financed in various ways – external borrowing and internal borrowing (banking system and non-bank public). It is inflationary when financed by the banking system, especially the central banks.

***Fiscal Operations***: This refers to government financial transactions involving the collection, spending and borrowing of government for a given period.

***Fixed Deposit Rate***: When deposits are for a fixed period of time, say 90 or 180 days, the interest rates paid are called fixed deposit rates. They normally attract higher interest rates; early withdrawals may attract penalties in terms of forfeiture of interest income.

***Foreign Exchange***: This is a means of international payments. It includes the currencies of other countries that are freely acceptable in effecting international transactions.

***Foreign Exchange and Balance of Payments Position***: The foreign exchange position is the difference between foreign exchange receipts and foreign exchange disbursements. If receipts are higher than disbursements, there is a net inflow or an accretion to reserves. On the other hand, if receipts are lower, there is a net outflow and the reserves would be depleted. The balance of payments position is the difference between the receipts by the residents of one economy from the rest of the world and the payments by these residents to the rest of the world. An excess of receipts over payments shows a balance of payments surplus, while the reverse represents a deficit. When foreign exchange receipts and payments are adjusted for valuation changes in reserves, the net position would be identical to the balance of payments position.

***Foreign Exchange Risk***: Foreign exchange risk is the current or prospective risk to earnings and capital arising from adverse movements in currency exchange rates. Foreign exchange risk may also arise as a result of exposures of banks to interest rate risk arising from the maturity mismatch of foreign currency positions.

***Government Expenditure***: Payment or flow of financial resources out of government.

***High-powered Money:*** *see* ***Monetary Base***

***Interbank Interest Rate***: This is the rate that applies to transactions among banks, mostly for overnight and other short-term funds.

***Interest Rate*** is the price of money. It is the opportunity cost of holding money and the return for parting with liquidity.

***Interest Rate Risk***: Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustments within a specified period. Interest rate risk is usually assessed from two perspectives: the earnings perspective which focuses on the impact of variation in interest rate on accruals or reported earnings, and the economic value perspective which reflects the impact of fluctuations in interest rates on the economic value of a financial institution.

Interest rate risk also includes risks associated with the term structure of interest rates and basis risk. Basis risk is also known as spread risk and it arises when a bank prices its assets and liabilities using different interest rate basis. On the other hand, risks associated with the term structure of interest rates are also known as the yield curve risk. The impact of shifts in the yield curve on earnings is evaluated using stress tests.

***Internal Balance***: This refers to a state of convergence between domestic output and absorption or expenditure. When output is identical with expenditure, internal balance is considered to have been achieved and the rate of inflation is expected to be stable. The achievement of the savings-investment identity is also viewed as internal balance. Monetary and fiscal policies and external debt management measures are usually applied to achieve internal balance.

***Key Risk Indicator****:* A key risk indicator is a risk item that has been assessed to be important, given all relevant factors. This indicator is used to monitor exposure to risks and could be quantitative or qualitative in nature. It should be forward-looking in order to serve as an effective risk mitigant.

***Liquidity Ratio***: This ratio is defined as the ratio of total specified liquid assets to total current liabilities and reflects the liquidity position of a bank.

***Liquidity Risk****:* Liquidity risk is the potential loss to a bank, arising from either its inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable costs or losses. Liquidity risk should not be seen in isolation, because financial risks are not mutually exclusive and liquidity risk is often triggered by consequences of other bank risks, such as credit, market and operational risks.

***Market Capitalisation*** is the market value of a company's issued share capital. It is the product of the current quoted price of shares and the number of shares outstanding. The term is also used as a performance indicator of the capital market.

***Maximum Lending Rate***: This refers to the rate charged by banks for lending to customers with a low credit rating.

***Minimum Rediscount Rate***: This refers to the amount that is charged by the CBN for lending to banks in the performance of its function of lender-of-last resort and also as a signal of the desired direction of monetary policy.

***Monetary Base (or High-powered Money or Reserve Money)*** comprises certain liabilities of the CBN and includes currency in circulation and total bank reserves. The main sources of monetary base are the net foreign assets of the CBN, net claims on government, claims on deposit money banks, and other assets (net) of the CBN.

***Money Supply (or Money Stock)*** refers to the total value of money in the economy and this consists of currency outside banks with the non-bank public (notes and coins) and deposits with the deposit money banks (DMBs). For purposes of policy, there are two variants of money supply in Nigeria – $M_1$ and M2. M1 is the narrow measure of money supply which includes currency outside banks with the non-bank public and demand deposits (current accounts) at the deposit money banks. M2 is the broad measure of money supply and includes M1 and savings and time deposits and foreign currency deposits at the DMBs. Savings and time deposits and foreign currency deposits are also called quasi-money. M2 measures total liquidity in the economy. Excess liquidity is the amount of liquidity over and above the optimum level of liquidity, determined by the levels of output and prices.

***Net Foreign Assets (NFAs)*** constitute the foreign exchange holdings of the CBN and the deposit money banks, after netting out the claims of foreigners. Changes in NFAs should reflect developments in the balance of payments. A deficit in the balance of payments would lead to a decrease in foreign asset holdings and ultimately the money stock. A surplus in the balance of payments produces the opposite effect.

***New Issues*** are securities raised in the primary market for the first time.

***Nominal Exchange Rate***: The nominal exchange rate is the price of one currency relative to another.

***Nominal Interest Rate***: This is the actual rental value paid for the use of money or credit. It includes the effects of inflation and uncertainty.

***Offer for Sale*** is an offer by shareholders to sell existing shares to the public. The sale is effected usually through stockbrokers and does not affect the capital base of a company.

***Offer for Subscription*** is an invitation by a company to the public to subscribe to new issues. This increases the capital base of the company.

***Open Market Operations*** involve the discretionary power of the CBN to purchase or sell securities in the financial markets in order to influence the volume of liquidity and levels of interest rates which ultimately would affect money supply. When the CBN sells financial instruments, the liquidity (excess reserves) of the banking system reduces. This restricts the capacity of banks to extend credit or induce monetary expansion. On the other hand, when the CBN purchases such instruments, it injects money into the system and banks' ability to expand credit is enhanced.

***Operational Risk***: Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Operational risk is present in virtually all banking transactions and activities.

***Other Assets (net)*** is the other assets of CBN and deposit money banks less (their) other liabilities.

**Preference Shares** are shares of companies on which dividends must be paid before any other shares.

***Prime Lending Rate***: This is the interest rate applied to loans made to customers with the highest rating. For each bank, this rate also represents the minimum lending rate.

***Prudential Guidelines:*** These are guidelines and practices which all licensed banks are required to adhere to in reviewing and reporting their performance, particularly in the areas of credit portfolio classification and disclosure; the provision for non-performing facilities and interest accrual; the classification of other assets; and off-balance sheet engagements.

***Real Exchange Rate:*** This is the nominal exchange rate deflated by change in relative prices. *See also* **Nominal Exchange Rate**

***Real Interest Rate***: This is the nominal interest rate adjusted for expected inflation. In order to encourage savings, real interest rate is expected to be positive.

***Recurrent Expenditure***: Expenditure on goods and services (other than capital assets) used in the process of production within one year. Interest on loans is included.

***Required Reserves*** are a fraction of commercial and merchant banks' money held for the purpose of backing up their deposit operations and partly to control the level of liquidity in the economy. They are made up of cash reserves and liquid assets and specified in the form of ratios. The cash reserves ratio is the percentage of deposit money banks' cash deposits with the CBN in relation to their total demand, savings and time deposits liabilities. The liquidity ratio is the percentage of banks' liquid assets to their total deposits liabilities.

***Reserve Money:*** *see* ***Monetary Base***

***Reserve Requirement*** refers to the proportion of total deposit liabilities which the deposit money banks are expected to keep as cash in vaults and deposits with the CBN. The CBN can control the money stock by varying the requirement as desirable. Usually, banks keep reserves over and above the legal requirement for safety. The cash ratio requires the deposit banks to keep a certain proportion of their total deposit liabilities as cash balances with the CBN, while the liquidity ratio stipulates the proportion of total deposits to be kept in specified liquid assets, mainly to safeguard the ability of banks to meet depositors' cash withdrawals and ensure confidence in the banking system. The CBN also has powers to call for special deposits from banks for the purpose of controlling liquidity.

***Rights Issues*** are shares offered to companies' existing shareholders in proportion to the number of shares held and usually at below the market price to make the offer attractive.

***Savings Deposit Rate***: The savings deposit rate is the amount paid by banks for funds withdrawable after seven days' notice. This restriction is, however, seldomly applied.

***Total Reserves:*** This is the sum of required reserves and excess reserves.

***Vault Cash***: Deposit money banks keep "petty cash" in their vaults for emergency transactions before they can access their accounts with the CBN. The amount so kept is called vault cash.

***Ways and Means Advances*** constitute a portion of credit by the CBN to government. These are temporary loans to government to bridge shortfalls in revenue. Statutorily, the CBN must not give more than 12.5 per cent of government's current revenue.

***Yield Curve***: Shows the relationship between the rate of interest and the time to maturity of different financial assets.

# APPENDIX C

## POLICY CIRCULARS AND GUIDELINES ISSUED IN 2014

### 1. BANKING SUPERVISION DEPARTMENT

**Part A**

| S/N | Name of Circular | Reference No. | Date Issued |
|---|---|---|---|
| 1. | Request for Re-Submission of AML/CFT Returns to CBN | BSD/DIR/GEN/LAB/07/45 | 16/12/2014 |
| 2. | The need for CBN Prior Clearance of Prospective Employees | BSD/DIR/GEN/LAB/07/44 | 01/12/2014 |
| 3. | The need to be Circumspect in Financing Controversial Projects | BSD/DIR/GEN/LAB/07/038 | 27/10/2014 |
| 4. | Prudential Regulation for the Management of Foreign Exchange Risk of Banks | BSD/DIR/GEN/LAB/07/037 | 24/10/2014 |
| 5. | Transfer of all Non -proprietary Assets to Licensed Custodian | BSD/DIR/GEN/LAB/07/036 | 23/10/2014 |
| 6. | Guidelines For Pr ocessing Request s from DMBs to Extend New/Additional Credit Facilities to Loan Defaulters and AMCON Obligors | BSD/DIR/GEN/LAB/07/034 | 10/10/2014 |
| 7. | Internal Capital Genera tion and Dividend Pay-out Ratio | BSD/DIR/GEN/LAB/07/033 | 08/10/2014 |
| 8. | Incessant Requests for ISPO by Banks to Lend to States, Local Government and Community Associations | BSD/DIR/GEN/LAB/02/032 | 03/10/2014 |
| 9. | Anti-Money Laundering/Combatting the Financing of Terrorism (AML/CFT) Regulations of Host Countries and the Compliance Manual of Foreign Subsidiaries | BSD/DIR/GEN/LAB/07/031 | 23/09/2014 |
| 10. | Monthly Submission of Foreign Assets and Liabilities | BSD/DIR/GEN/LAB/07/030 | 23/09/2014 |
| 11. | Framework for the Regulation and Supervision of Domestic Systemically Important Banks (SIBs) in Nigeria | BSD/DIR/GEN/LAB/07/026 | 05/09/2014 |
| 12. | Letter to all Banks and Other Financial Institutions on the Filling of Suspicious Transactions to Nigerian Financial Intelligence Unit (NFIU) | BSD/DIR/GEN/LAB/07/023 | 25/08/2014 |
| 13. | Monthly Returns by Banks on their Off-Shore Subsidiaries | BSD/DIR/GEN/LAB/07/022 | 15/08/2014 |
| 14. | Exclusion of Non-Distributable Regulatory Reserve and Other Reserves in the Computation of Regulatory Capital of Banks and Discount Houses | BSD/DIR/GEN/LAB/07/021 | 05/08/2014 |
| 15. | Monthly Submission of Returns on Fraud and Forgeries from Deposit Money Banks | BSD/DIR/GEN/LAB/07/020 | 04/08/2014 |
| 16. | Attestation to Professional Code of Conduct in the Nigerian Banking Industry | BSD/BCS/GEN/DBS/05/095 | 25/07/2014 |

| | | | |
|---|---|---|---|
| 17. | Responsibility of all Banks, Discount Houses and Development Finance Institutions with respect to Human Rights Under the Nigerian Sustainable Banking Principles (NSBP) | BSD/DIR/GEN/LAB/07/019 | 10/07/2014 |
| 18. | New Format for Returns on Notification of Dismissed/Terminated Staff | BSD/DIR/GEN/LAB/07/018 | 08/07/2014 |
| 19. | Bancassurance and Non-Permissible activities | BSD/DIR/GEN/LAB/07/023 | 04/07/2014 |
| 20. | Extension of Parallel Run of Pillar 1 of BASEL II Implementation | BSD/DIR/GEN/BAS/07/016 | 02/07/2014 |
| 21. | Prohibition of Loan Defaulters from Further Access to Credit Facilities in the Nigerian Banking System | BSD/DIR/GEN/LAB/07/015 | 30/06/2014 |
| 22. | Guidelines on the Establishment and Rationalization of Branches and Other Outlets for Banks in Nigeria | BSD/DIR/GEN/LAB/07/014 | 20/06/2014 |
| 23. | Status and Reporting Line of Chief Compliance Officers of Banks | BSD/DIR/GEN/LAB/07/013 | 23/05/2014 |
| 24. | Letter to Banks and Other Financial Institutions of Dud/Dishonoured Cheques | BSD/DIR/GEN/LAB/07/012 | 13/05/2014 |
| 25. | Timeliness for Rendition of Statutory Returns Through the Fina Application to the CBN and NDIC | BSD/DIR/GEN/LAB/07/011 | 10/04/2014 |
| 26. | Transmutation of all Non-Propriety Assets to Licensed Custodians | BSD/DIR/GEN/LAB/07/009 | 13/03/2014 |
| 27. | Transfer of all Non-Propriety Assets to Licensed Custodians | BSD/DIR/GEN/LAB/07/008 | 11/03/2014 |
| 28. | The Need for the CBN Prior Clearance of Prospective Employees of Banks | BSD/DIR/GEN/LAB/07/004 | 05/02/2014 |
| 29. | Observance of KYC Guidelines | BSD/DIR/GEN/LAB/07/002 | 20/01/2014 |

**Part b**

| S/N | Name of Circular | Reference No. | Date Issued |
|---|---|---|---|
| 1. | Invitation to Participate in the Nigeria/Mexico Joint Commission Meeting Scheduled to Hold in Mexico City, United Mexican State | BSD/DIR/GEN/LAB/07/014 | 22/04/2014 |
| 2. | Prohibition of New Credit Facilities to Debtors of the Asset Mangement Corporation of Nigeria | BSD/DIR/GEN/LAB/07/003 | 24/01/2014 |
| 3. | Prohibition of New Credit Facilities to Debtors of the Asset Management Corporation of Nigeria | BSD/GDA/CON/AMC/11/56 | 27/01/2014 |
| 4. | Prohibition of New Credit Facilities to Debtors of the Asset Management Corporation of Nigeria | BSD/GDA/CON/AMC/11/54 | 29/01/2014 |
| 5. | Requests for Information on Lending to all the Three Tiers of Government in the Federation, Departments, Agencies and Corporation | BSD/DIR/GEN/LAB/07/006 | 11/02/2014 |

| | | | |
|---|---|---|---|
| 6. | Postponement of the Sustainable Banking Awards | BSD/DIR/GEN/LAB/07/007 | 21/02/2014 |
| 7. | Request for Information on Vault C Cash Balances by Denomination | BSD/DIR/GEN/LAB/07/010 | 14/03/2014 |
| 8. | Request for Information on the Asset Management Corporation of Nigeria (AMCON) | BSD/DIR/GEN/LAB/07/027 | 15/09/2014 |
| 9. | Study on Development s in Remittance Delivery : Payments and Market Structure | BSD/DIR/GEN/LAB/07/035 | 27/10/2014 |
| 10. | Request for Information on Indebtedness of Some State Government s to Commercial Banks in Nigeria as at October 15, 2014 | BSD/DIR/GEN/LAB/07/039 | 29/10/2014 |
| 11. | Workshop/Training on Credit Bureaux Common Data Format | BSD/DIR/GEN/LAB/07/040 | 03/11/2014 |

## 2. FINANCIAL POLICY & REGULATION DEPARTMENT

| S/N | Reference No. | Name of Circular |
|---|---|---|
| 1. | FPR/DIR/GEN/CIR/01/003 | Circular to all Nigeria Deposit Money Banks (DMBs) on the Introduction of Biometric Authentication of its Customers |
| 2 | FPR/DIR/GEN/CIR/01/002 | Revocation of the Operating Licences of 101 BDCs |
| 3 | FPR/DIR/GEN/CIR/01/004 | Circular to all DMBs on Uniform Account Opening Forms and Minimum Information Requirements for Three -Tiered KYC Accounts |
| 4 | FPR/DIR/GEN/01/005 | Circular to all DMBs on the Reporting Template for the Nigeria Sustainable Banking Principles |
| 5 | FPR/DIR/GEN/CIR/01/006 | Exposure Draft on Guidelines for Licensing and Regulation of Financial Holding Companies in Nigeria |
| 6 | FPR/DIR/GEN/CIR/01/007 | Circular to all Banks on the Commencement of Quarterly Repatriation of Repayment Proceeds |
| 7 | FPR/DIR/GEN/CIR/01/008 | Implementation of the Revised Guide to Bank Charges-Commission on Turnover |
| 8 | FPR/DIR/GEN/CIR/01/009 | Circular to all BDCs on the New Requirements for the Operation of BDCs in Nigeria |
| 9 | FPR/DIR/GEN/CIR/04/009 | Circular to all Banks, Discount Houses and Other Financial Institutions on the Extension of Timeline for the Resolution of all Categories of Complaints on Excess Char ges on Loans from 14 to 30 Days |
| 10. | FPR/DIR/GEN/CIR/01/010 | Extension of Time for Compliance with the New Requirements for the Operating of BDCs in Nigeria |

| | | |
|---|---|---|
| 11. | FPR/DIR/GEN/CIR/04/011 | Guidelines for the Licensing and Regulation of Financial Holding Companies in Nigeria |
| 12. | FPR/CIR/GEN/04/012 | Circular to Banks, Discount Houses and Other Financial Institutions on Status and Reporting Line of Chief Compliance Officers |
| 13 | FPR/DIR/GEN/CIR/04/012 | Circular to all Banks, Discount Houses and Other Financial Institutions on Time Bar for Resolution of Consumer Complaints |
| 14. | FPR/DIR/GEN/CIR/04/013 | Circular to all Banks and Discount Houses on Com pliance with the USA FATCA 2010 |
| 15. | FPR/DIR/CIR/GEN/01/004 | Code of Corporate Governance for Banks and Discount Houses in Nigeria and Guidelines for Whistle-blowing in the Nigerian Banking Industry |
| 16. | FPR/DIR/CIR/GEN/0/007 | Circular to all DMBs on the Revised Strategy for the Implementation of Commercial Agriculture Credit Schemes |

## 3. OTHER FINANCIAL INSTITUTIONS SUPERVISION DEPARTMENT

| S/N | Name of Circular | Reference No. | Date Issued |
|---|---|---|---|
| 1. | Submission of one Correspondence NUBAN (Nigerian Uniform Bank Account Number) Bank Account Number Detai ls of Microfinance Banks (MFBs) | OFI/DIR/GEN/CIR/01/08 | 08/10/2014 |
| 2. | Maintenance of Cash Reserve Requirement (CRR) on Deposits | OFI/DIR/GEN/CIR/01/09 | 25/08/2014 |
| 3. | GIS Mapping of Nigerian Financial Institutions | OFI/DIR/GEN/CIR/01/10 | 08/10/2014 |

## 4. BANKING AND PAYMENTS SYSTEM DEPARTMENT

### GUIDELINES

| S/N | Name of Guideline |
|---|---|
| 1. | Revised Guidelines for Card Issuance and Usage in Nigeria |
| 2. | Guidelines on Internatiional Money Transfer Servies in Nigeria |
| 3. | Guidelines on Electronic Payments for Salaries, Pensi ons, Suppliers, Taxes in Nigeria |

## CIRCULARS

| S/N | Name of Circular |
|---|---|
| 1. | Circular on the Need to Instal Anti-Skimming Devices on all ATMs |
| 2. | Circular on Electronic Payments Incentives Scheme and Awareness Campaign |
| 3. | Circular on Non-Refund of Monies to Customers Shortchanged by ATMs Non-Dispense or Partial Dispense Errors |
| 4. | Circular on Introduction of Fee on Remote-On-Us ATM Withdrawal Transactions |
| 5. | Circular on the Phase III Nationwide Rollout of Cashless Policy to the 30 remaining States |
| 6. | Circular on the Review of the NIP System & Other Electronic Payments Options with Similar Features |
| 7. | Circular on the Timeline for PCIDSS Certification by all DMBs, Switches & Processors |
| 8. | Circular on the Implementation of E-Referencing in Nigeria |
| 9. | Circular on Authorized Signatories Verification Portal for the Nigerian Banking Industry |
| 10. | Circular on Clarification Circular on Bank Verification Number (BVN) Enrolment |
| 11. | Circular on the Acceleration of Bank Verification Number (BVN) Project |
| 12. | Circular on the Go-Live of Bank Verification Number (BVN) |
| 13. | Circular to DMBs & Merchant Banks on the Implementation of SWIFT Sanction Screening Services |

## 5. MONETARY POLICY DEPARTMENT

| S/N | Name of Communiqué |
|---|---|
| 1. | Central Bank of Nigeria, Communiqué No. 93 of the Monetary Policy Committee Meeting of Monday 20 and Tuesday 21, January, 2014 |
| 2. | Central Bank of Nigeria, Communiqué No. 94 of the Monetary Policy Committee Meeting of Monday 24 and Tuesday 25, March, 2014 |
| 3. | Central Bank of Nigeria, Communiqué No. 95 of the Monetary Policy Committee Meeting of Monday 19 and Tuesday 20, May, 2014 |
| 4. | Central Bank of Nigeria, Communiqué No. 96 of the Monetary Policy Committee Meeting of Monday 21 and Tuesday 22, July, 2014 |

| | |
|---|---|
| 5. | Central Bank of Nigeria, Communiqué No. 97 of the Monetary Policy Committee Meeting of Monday 18 and Tuesday 19, September, 2014 |
| 6. | Central Bank of Nigeria, Communiqué No. 98 of the Monetary Policy Committee Meeting of Monday 24 and Tuesday 25, November, 2014 |

## 6. TRADE AND EXCHANGE DEPARTMENT

| S/N | REFERENCE | SUBJECT | DATE |
|---|---|---|---|
| 1. | TED/FEM/FPC/GEN/01/006 | Guidelines for the Operation of the Foreign Exchange Market-Retail Dutch Auction System (RDAS) | 5/2/2014 |
| 2. | TED/FEM/FPC/GEN/009 | Withdrawal of GBP50.0 (John Houblon) Notes from Circulation by the Bank of England on April 30, 2014 | 21/3/2014 |
| 3. | TED/FEM/FPC/GEN/011 | Inclusion of Medical Laboratory Science Council of Nigeria (MLSCN) Registration and Product Certification as Part of the Criteria for Importation of In-Vitro Diagnostics (IVDs) into Nigeria | 24/4/2014 |
| 4. | TED/FEM/FPC/GEN/01/012 | Import Guidelines, Procedures and Documentation Requirements under the Destination Inspection Scheme in Nigeria | 30/4/2014 |
| 5. | TED/FEM/FPC/GEN/01/016 | Guidelines for the Operation of International Money Transfer Services (IMTS) in Nigeria | 26/9/2014 |
| 6. | TED/FEM/FPC/GEN/01/019 | Guidelines for the Operation of International Money Transfer Service (IMTS) in Nigeria-Review of the Allowable Limit | 3/10/2014 |
| 7. | TED/FEM/FPC/GEN/01/020 | Guidelines on the Operations in the Interbank Market through the Two-Way Quotes System | 28/10/2014 |
| 8. | TED/FEM/FPC/GEN/01/025 | Sales of Foreign Exchange Without Adequate Documentation Particularly Shipping Documents | 21/11/2014 |
| 9. | TED/FEM/FPC/01/022 | Exclusion of some Transactions from the RDAS Window | 6/11/2014 |
| 10. | TED/FEM/FPC/01/026 | Foreign Exchange Trading Position of Banks at the Close of Each Business Day | 17/12/2014 |
| 11. | TED/FEM/FPC/01/027 | Submission of Returns on Foreign Exchange Trading Position as at December 17, 2014 by all Authorised Dealers | 18/12/2014 |
| 12. | TED/FEM/FPC/GEN/01/028 | Utilization of Funds Purchased from the Interbank Foreign Exchange Market by Authorised Dealers | 18/12/2014 |
| 13. | TED/FEM/FPC/GEN/01/028 | Utilization of Funds Purchased from the Autonomous/Interbank Foreign Exchange Market by Authorised Dealers | 18/12/2014 |

# Appendix D
## Table 1
## Selected Interest Rates
## (Per cent)

| | 2010 1/ | | | | | 2011 1/ | | | | | 2012 1/ | | | | | 2013 /1 | | | | | 2014 /1 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Mar | Jun | Sep | Dec | Average | Mar | Jun | Sep | Dec | Average | Mar | Jun | Sep | Dec | Average | Mar | Jun | Sep | Dec | Average | Mar | Jun | Sep | Dec | Average |
| **Government Securities** | | | | | | | | | | | | | | | | | | | | | | | | | |
| Treasury Bill Issue Rate (%) | 1.49 | 3.05 | 5.23 | 9.1 | | 8.89 | 8.83 | 9.32 | 15.67 | | 14.92 | 14.98 | 13.08 | 11.82 | | 10.33 | 12.28 | 11.68 | 11.42 | | 12.28 | 10.23 | 10.02 | 10.77 | |
| Monetary Policy Rate (%) | 6.00 | 6.00 | 6.25 | | 6.08 | 7.50 | 8.00 | 9.25 | 12.00 | | 12.00 | 12.00 | 12.00 | 12.00 | | 12.00 | 12.00 | 12.00 | 12.00 | | 12.00 | 12.00 | 12.00 | 13.00 | |
| **Deposit Rates (Weighted Average) (%)** | | | | | | | | | | | | | | | | | | | | | | | | | |
| Savings | 3.03 | 1.95 | 1.42 | 1.51 | 2.20 | 1.41 | 1.40 | 1.82 | 1.41 | 1.43 | 1.67 | 1.76 | 1.79 | 1.66 | 1.78 | 1.77 | 2.04 | 2.43 | 2.53 | 2.17 | 3.38 | 3.42 | 3.43 | 3.46 | 3.38 |
| **Term Deposits Maturing in (%):** | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 days | 2.91 | 2.64 | 1.84 | 1.77 | 2.47 | 2.01 | 2.06 | 2.36 | 3.39 | 2.38 | 4.30 | 4.47 | 4.84 | 5.16 | 4.58 | 5.08 | 4.45 | 4.62 | 5.14 | 4.86 | 4.88 | 4.95 | 4.54 | 4.45 | 4.63 |
| 1 month | 7.36 | 4.51 | 3.71 | 3.66 | 5.72 | 4.21 | 4.52 | 4.72 | 6.58 | 4.90 | 7.45 | 7.46 | 8.09 | 8.15 | 7.58 | 7.95 | 7.58 | 7.61 | 7.78 | 7.82 | 8.30 | 8.46 | 8.41 | 8.58 | 8.37 |
| 3 months | 8.60 | 4.98 | 5.17 | 4.63 | 6.52 | 5.38 | 5.14 | 5.48 | 6.80 | 5.71 | 8.15 | 7.80 | 8.79 | 9.15 | 8.41 | 7.99 | 7.49 | 7.41 | 7.96 | 7.91 | 9.47 | 9.30 | 9.31 | 9.48 | 9.34 |
| 6 months | 7.59 | 4.85 | 4.39 | 3.50 | 6.28 | 4.46 | 5.26 | 5.18 | 5.63 | 4.91 | 7.34 | 8.08 | 8.23 | 10.87 | 7.85 | 7.43 | 7.07 | 6.90 | 7.44 | 7.40 | 10.14 | 9.52 | 9.48 | 9.77 | 9.60 |
| 12 months | 5.55 | 4.90 | 3.57 | 3.53 | 5.68 | 4.25 | 4.68 | 5.86 | 7.12 | 4.76 | 7.99 | 7.51 | 6.77 | 10.63 | 7.18 | 6.09 | 5.32 | 4.58 | 5.02 | 5.49 | 9.30 | 9.19 | 9.31 | 9.51 | 9.16 |
| Over 12 months | 6.59 | 4.23 | 2.64 | 5.49 | 6.93 | 5.15 | 7.39 | 5.76 | 6.13 | 6.10 | 7.11 | 6.22 | 8.04 | 9.95 | 7.62 | 7.38 | 6.19 | 4.26 | 6.81 | 6.50 | 10.28 | 10.00 | 9.72 | 10.14 | 9.89 |
| **Lending Rates (Weighted Average) (%)** | | | | | | | | | | | | | | | | | | | | | | | | | |
| Prime | 19.03 | 17.65 | 16.66 | 15.74 | 17.59 | 15.81 | 15.76 | 15.99 | 16.75 | 16.03 | 17.27 | 16.93 | 16.37 | 16.54 | 16.79 | 16.16 | 16.56 | 16.76 | 17.01 | 16.69 | 16.69 | 16.50 | 16.44 | 15.88 | 16.55 |
| Maximum | 23.62 | 22.03 | 22.18 | 21.86 | 22.51 | 22.02 | 22.02 | 22.32 | 23.35 | 22.44 | 23.22 | 23.44 | 24.67 | 24.61 | 23.79 | 22.31 | 24.58 | 25.12 | 24.90 | 24.38 | 25.80 | 26.07 | 25.77 | 25.91 | 25.74 |
| Average Term Deposit | 6.43 | 4.35 | 3.55 | 3.76 | 5.60 | 4.24 | 4.84 | 4.89 | 5.94 | 4.79 | 7.06 | 6.92 | 7.46 | 8.99 | 7.20 | 6.99 | 6.35 | 5.90 | 6.69 | 6.66 | 8.73 | 8.57 | 8.46 | 8.66 | 8.50 |
| Spread (Maximum Lending-Average Term Deposit) | 17.19 | 17.68 | 18.63 | 18.10 | 16.91 | 17.78 | 17.18 | 17.43 | 17.41 | 17.65 | 16.16 | 16.52 | 17.21 | 15.63 | 16.59 | 15.32 | 18.23 | 19.22 | 18.21 | 17.72 | 17.07 | 17.50 | 17.31 | 17.26 | 17.25 |
| Inter-bank call Rate | 1.50 | 2.73 | 2.66 | 6.36 | 4.00 | 10.18 | 11.15 | 11.38 | 15.50 | 11.12 | 14.13 | 14.92 | 13.50 | 11.88 | 13.95 | 10.39 | 11.59 | 16.88 | 10.75 | 12.07 | 10.50 | 10.50 | 10.96 | 24.30 | 11.69 |

/1 Revised
Source: Central Bank of Nigeria

## Table 2
### Loans Guaranteed under ACGSF by Size and Purpose
### (January – December 2014)

| Purpose | 5,000 & Below | | 5,001 - 20,000 | | 20,001 - 50,000 | | 50,001 - 100,000 | | Above 100,000 | | Total | | Percentage of Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | No | Amount (N' Thousand) | No | Amount (N' Thousand) | No | Amount (N' Thousand) | No | Amount (N' Thousand) | No | Amount (N' Thousand) | No | Amount (N' Thousand) | No | Amount (N' Thousand) |
| **LIVESTOCK** | | | | | | | | | | | | | | |
| Poultry | - | - | 144 | 2,821.00 | 421 | 16,066.00 | 693 | 74,860.00 | 4,435 | 1,775,130.89 | 5,693 | 1,868,877.89 | 7.87 | 14.38 |
| Cattle | - | - | - | - | 11 | 530.00 | 244 | 31,890.00 | 261 | 131,170.00 | 516 | 163,590.00 | 0.71 | 1.26 |
| Sheep/Goat | - | - | 1 | 20.00 | 32 | 1,520.00 | 43 | 4,020.00 | 171 | 37,530.00 | 247 | 43,090.00 | 0.34 | 0.33 |
| Others | - | - | 30 | 550.00 | 66 | 2,025.00 | 118 | 16,460.00 | 809 | 247,654.00 | 1,023 | 266,689.00 | 1.41 | 2.05 |
| **Sub-Total** | **-** | **-** | **175** | **3,391.00** | **530** | **20,141.00** | **1,098** | **127,230.00** | **5,676** | **2,191,484.89** | **7,479** | **2,342,246.89** | **10.34** | **18.02** |
| | | | | | | | | | | | | | | |
| **FISHERIES** | **-** | **-** | **481** | **9,046.00** | **372** | **9,272.00** | **148** | **13,180.00** | **1,049** | **421,928.00** | **2,050** | **453,426.00** | **2.83** | **3.49** |
| | | | | | | | | | | | | | | |
| **MIXED FARMING** | **-** | **-** | **1,474** | **27,671.00** | **1,291** | **51,567.00** | **1,889** | **203,209.00** | **3,783** | **1,276,938.00** | **8,437** | **1,559,385.00** | **11.67** | **12.00** |
| | | | | | | | | | | | | | | |
| **FOOD CROPS** | | | | | | | | | | | | | | |
| Vegetables | - | - | 176 | 3,256.00 | 608 | 25,345.00 | 647 | 49,605.00 | 353 | 101,840.00 | 1,784 | 180,046.00 | 2.47 | 1.39 |
| Beans | - | - | 575 | 10,361.00 | 322 | 11,424.30 | 914 | 70,456.50 | 575 | 116,815.48 | 2,386 | 209,057.28 | 3.30 | 1.61 |
| Soya Beans | - | - | 158 | 3,145.00 | 1,010 | 35,479.00 | 469 | 35,998.00 | 343 | 77,028.00 | 1,980 | 151,650.00 | 2.74 | 1.17 |
| Grains | 36 | 177.70 | 4,437 | 60,249.70 | 6,096 | 225,962.70 | 6,750 | 596,711.50 | 8,804 | 2,532,421.28 | 26,123 | 3,415,522.88 | 36.12 | 26.28 |
| Tuber/Roots | - | - | 749 | 14,390.00 | 3,460 | 160,196.00 | 4,558 | 409,841.00 | 7,555 | 2,976,154.10 | 16,322 | 3,560,581.10 | 22.57 | 27.40 |
| **Sub-Total** | **36** | **177.70** | **6,095** | **91,401.70** | **11,496** | **458,407.00** | **13,338** | **1,162,612.00** | **17,630** | **5,804,258.86** | **48,595** | **7,516,857.26** | **67.19** | **57.84** |
| | | | | | | | | | | | | | | |
| **CASH CROPS** | | | | | | | | | | | | | | |
| Oil Palm | - | - | 572 | 10,152.00 | 342 | 11,090.00 | 79 | 6,960.00 | 291 | 131,400.00 | 1,284 | 159,602.00 | 1.78 | 1.23 |
| Rubber | - | - | - | - | - | - | - | - | 2 | 1,100.00 | 2 | 1,100.00 | 0.00 | 0.01 |
| Ginger | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Cotton | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Groundnuts | - | - | 15 | 300.00 | 70 | 3,235.00 | 335 | 30,595.00 | 344 | 69,690.00 | 764 | 103,820.00 | 1.06 | 0.80 |
| Cocoa | - | - | 2 | 40.00 | 199 | 9,014.00 | 242 | 21,280.00 | 582 | 187,700.00 | 1,025 | 218,034.00 | 1.42 | 1.68 |
| **Sub-Total** | **-** | **-** | **589** | **10,492.00** | **611** | **23,339.00** | **656** | **58,835.00** | **1,219** | **389,890.00** | **3,075** | **482,556.00** | **4.25** | **3.71** |
| | | | | | | | | | | | | | | |
| **OTHERS** | **-** | **-** | **100** | **1,720.00** | **619** | **29,560.00** | **343** | **26,770.00** | **1,624** | **584,483.00** | **2,686** | **642,533.00** | **3.71** | **4.94** |
| | | | | | | | | | | | | | | |
| **Total** | **36** | **177.70** | **8,914** | **143,721.70** | **14,919** | **592,286.00** | **17,472** | **1,591,836.00** | **30,981** | **10,668,982.75** | **72,322** | **12,997,004.15** | **100.00** | **100.00** |

Source: Central Bank of Nigeria

## Table 3
## Foreign Exchange Flows through the Economy
## (US$' Million)

| FOREIGN EXCHANGE FLOWS | 2013 2/ | 2014 3/ |
|---|---|---|
| **INFLOW THROUGH THE ECONOMY** | **145,260.24** | **156,522.71** |
| **A. Inflow through the CBN** | **41,070.25** | **46,590.56** |
| 1. Oil | 36,982.31 | 38,625.59 |
| 2.Non-oil | **4,087.94** | **7,964.97** |
| (i) Drawings on Loans/Grants | 0.00 | 0.00 |
| (ii) rDAS Purchases | 20.00 | 779.02 |
| (iii) Swaps | - | 4,025.05 |
| (vi) Interest on Reserves & Investments | 109.97 | 151.35 |
| (v) Refund on World Bank/IBRD/IMF Loans | 0.00 | 0.00 |
| (vi) Eurobond proceeds- Fixed Income Securities | 985.55 | 8.98 |
| (vii) Other official Receipts | 2,972.42 | 3,000.57 |
| | | |
| **B. Through Autonomous Sources** | **104,189.99** | **109,932.15** |
| 1. Non-oil Export Receipts by banks | 6,103.97 | 10,534.02 |
| 2. External Accounts purchases | 361.74 | 336.30 |
| **3. Invisibles purchases** | **97,724.28** | **99,061.83** |
| **(a) Ordinary Domiciliary Accounts** | 35,601.29 | 41,833.13 |
| **(b) Total OTC Purchases** | **62,123.00** | **57,228.70** |
| (i) Oil Companies | 13,982.29 | 12,973.37 |
| (ii) Capital Importations | 23,476.30 | 19,829.72 |
| (iii) Home Remittances | 680.77 | 1,183.62 |
| (iv) Other OTC Purchases | 23,983.64 | 23,241.99 |
| | | |
| **OUTFLOW THROUGH THE ECONOMY** | **43,646.65** | **56,252.52** |
| **A. Through the Central Bank** | **42,322.18** | **54,829.38** |
| **1. rDAS Utilisation** | **35,238.17** | **48,056.42** |
| **a. rDAS** | 29,669.85 | **43,606.10** |
| (i) rDAS Sales | 25,524.55 | 32,564.69 |
| (ii) rDAS-Forward | 206.79 | 3,311.83 |
| (iii) Inter-bank Sales | 3,938.50 | 7,729.58 |
| (iv) Invisibles IFEM | 0.00 | 0.00 |
| **b. BDC Sales** | 5,311.79 | 4,450.32 |
| **c. Swaps** | 256.54 | 0.00 |
| **2. Drawings on L/Cs** | **433.14** | **344.83** |
| **3. External Debt Service** | **292.69** | **365.12** |
| (i) Principal | 186.53 | 174.51 |
| (ii) Interest | 14.16 | 5.21 |
| (iii) Others 1/ | 92.00 | 185.40 |
| **4. National Priority Projects** | **80.95** | **68.36** |
| **5. Other Official Payments** | **5,272.62** | **5,642.18** |
| (i) Int'l Organisations & Embassies /4 | 647.28 | 395.95 |
| (ii) Parastatals & Estacode | 1,149.79 | 1,519.83 |
| (iii) NNPC/JV Cash Calls | 3,406.35 | 3,390.11 |
| (iv)Contributions, Grants (ESAF - HIPC) | 0.00 | 135.55 |
| (v) Miscellaneous/Others | 69.20 | 200.74 |
| **6. NSIA Transfers** | **1,000.00** | **0.00** |
| **7. 3rd Party MDA Transfers 5/** | **0.00** | **352.48** |
| **8. Others 1/** | | **1.16** |
| | | |
| **B. Through Autonomous Sources** | **1,324.47** | **1,424.14** |
| 1. Imports | 1,219.35 | 1,360.12 |
| 2. Invisibles | 105.11 | 64.02 |
| | | |
| **NETFLOW THROUGH THE CBN** | **(1,251.93)** | **(8,238.82)** |
| **NETFLOW** | **101,613.59** | **100,330.19** |

*wDAS system
1/ Includes penalty charges and service charges
2/ Revised
3/ Provisional
4/Includes IMF (SDR Charges)
5/ DMO Eurobond Proceeds
Source: CBN

## Table 4
## Currency in Circulation (Naira Billion)

| Year | Month | Vault Cash | Currency Outside Banks | Currency in Circulation |
|---|---|---|---|---|
| **2010** | December | 295.8 | 1,082.3 | 1,378.1 |
| | | | | |
| | January | 307.0 | 1,033.4 | 1,340.4 |
| | February | 312.2 | 1,024.7 | 1,336.8 |
| | March | 303.7 | 1,112.7 | 1,416.4 |
| | April | 351.2 | 1,141.1 | 1,492.3 |
| | May | 346.6 | 1,055.2 | 1,401.8 |
| **2011** | June | 337.5 | 1,016.4 | 1,354.0 |
| | July | 303.9 | 1,040.3 | 1,344.2 |
| | August | 319.2 | 1,061.1 | 1,380.3 |
| | September | 330.6 | 1,011.8 | 1,342.4 |
| | October | 321.4 | 1,037.6 | 1,359.0 |
| | November | 321.6 | 1,069.4 | 1,391.0 |
| | December | 320.9 | 1,245.1 | 1,566.0 |
| | | | | |
| | January | 382.3 | 1,093.7 | 1,476.1 |
| | February | 356.9 | 1,081.7 | 1,438.6 |
| | March | 291.5 | 1,141.4 | 1,432.8 |
| | April | 311.3 | 1,111.1 | 1,422.4 |
| | May | 277.4 | 1,121.6 | 1,399.0 |
| **2012** | June | 275.4 | 1,088.3 | 1,363.7 |
| | July | 285.8 | 1,076.8 | 1,362.6 |
| | August | 287.4 | 1,080.8 | 1,368.2 |
| | September | 278.7 | 1,070.2 | 1,348.8 |
| | October | 304.7 | 1,153.6 | 1,458.2 |
| | November | 290.1 | 1,140.6 | 1,431.0 |
| | December | 330.6 | 1,301.2 | 1,631.7 |
| | | | | |
| | January | 301.5 | 1,155.7 | 1,457.2 |
| | February | 273.7 | 1,163.7 | 1,437.5 |
| | March | 265.9 | 1,242.6 | 1,508.5 |
| | April | 284.8 | 1,185.3 | 1,470.1 |
| | May | 297.0 | 1,160.6 | 1,457.7 |
| **2013** | June | 297.7 | 1,127.8 | 1,425.5 |
| | July | 315.7 | 1,141.6 | 1,457.3 |
| | August | 290.8 | 1,152.6 | 1,443.3 |
| | September | 305.9 | 1,168.2 | 1,474.0 |
| | October | 300.0 | 1,249.5 | 1,549.5 |
| | November | 272.5 | 1,298.5 | 1,571.0 |
| | December* | 329.8 | 1,446.7 | 1,776.4 |
| | | | | |
| | January | 255.2 | 1,332.9 | 1,588.1 |
| | February | 299.7 | 1,257.9 | 1,557.6 |
| | March | 347.8 | 1,226.2 | 1,574.0 |
| | April | 341.5 | 1,227.7 | 1,569.2 |
| | May | 312.5 | 1,204.8 | 1,517.2 |
| **2014** | June | 334.8 | 1,162.0 | 1,496.7 |
| | July | 331.2 | 1,236.6 | 1,567.8 |
| | August | 286.6 | 1,214.5 | 1,501.1 |
| | September | 305.1 | 1,242.8 | 1,547.9 |
| | October | 348.4 | 1,185.2 | 1,533.6 |
| | November | 346.9 | 1,231.0 | 1,577.9 |
| | December** | 431.3 | 1,366.7 | 1,798.0 |

* Revised
** Provisional
Source: Central Bank of Nigeria

## Table 5
## Money Supply and Its Determinants 1/
## (Naira Billion)

| Category | Dec-10 | Dec-11 | Dec-12 | Dec-13 1/ | Dec-14 2/ |
|---|---|---|---|---|---|
| **1.Domestic Credit (net)** | **8,498,646.42** | **13,152,869.08** | **12,698,205.05** | **14,535,204.72** | **19,273,756.70** |
| **(a) Claims on Federal Government (net)** | **-1,331,697.66** | **-1,030,722.73** | **-2,453,557.09** | **-1,656,265.28** | **1,150,107.20** |
| By Central Bank | -2,884,013.44 | -3,514,447.09 | -3,574,376.40 | -2,289,104.87 | -2,141,684.16 |
| By Commercial Banks | 1,552,315.78 | 2,483,724.36 | 1,120,543.34 | 596,989.86 | 3,214,435.52 |
| By Merchant Banks | | | | 36,606.47 | 74,955.88 |
| By Non Interest Banks | | | 275.98 | -756.74 | 2,400.00 |
| **(b) Claims on Private Sector** | **9,830,344.08** | **14,183,591.82** | **15,151,762.15** | **16,191,470.00** | **18,123,649.46** |
| By Central Bank | 632,171.02 | 4,569,146.02 | 4,708,311.82 | 4,599,388.32 | 4,859,887.74 |
| By Commercial Banks | 9,198,173.06 | 9,614,445.80 | 10,440,956.33 | 11,543,649.93 | 13,179,598.11 |
| By Merchant Banks | | | | 37,919.13 | 62,646.43 |
| By Non Interest Banks | | | 2,493.99 | 10,512.62 | 21,517.18 |
| **(i) Claims on State and Local Governments 3/** | **369,809.82** | **513,218.66** | **665,879.27** | **779,126.93** | **536,367.32** |
| By Central Bank | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| By Commercial Banks | 369,809.82 | 513,218.66 | 665,879.27 | 776,698.03 | 536,367.32 |
| By Merchant Banks | | | | 1,428.90 | 0.00 |
| By Non Interest Banks | | | 0.00 | 1,000.00 | 0.00 |
| **(ii) Claims on Non-Financial Public Enterprises** | **0.00** | **0.00** | **0.00** | **23,578.28** | **23,590.06** |
| By Central Bank | 0.00 | 0.00 | 0.00 | 23,578.28 | 23,590.06 |
| By Commercial Banks | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| By Merchant Banks | | | | 0.00 | 0.00 |
| By Non Interest Banks | | | 0.00 | 0.00 | 0.00 |
| **(iii) Claims on Other Private Sector** | **9,460,534.26** | **13,670,373.16** | **14,485,882.87** | **15,388,764.78** | **17,561,691.79** |
| By Central Bank | 632,171.02 | 4,569,146.02 | 4,708,311.82 | 4,575,810.04 | 4,834,297.39 |
| By Commercial Banks | 8,828,363.23 | 9,101,227.14 | 9,775,077.06 | 10,766,951.89 | 12,643,230.80 |
| By Merchant Banks | | | | 36,490.23 | 62,646.43 |
| By Non Interest Banks | | | 2,493.99 | 9,512.62 | 21,517.18 |
| **(2) Foreign Assets (net) 4/** | **6,506,618.59** | **7,138,672.78** | **9,043,678.68** | **8,658,649.73** | **6,954,214.80** |
| By Central Bank | 5,372,285.81 | 5,823,794.26 | 7,393,557.68 | 7,043,927.36 | 6,244,718.92 |
| By Commercial Banks | 1,134,332.78 | 1,314,878.51 | 1,647,936.45 | 1,611,727.94 | 712,557.52 |
| By Merchant Banks | | | 0.00 | 1,089.63 | -6,373.02 |
| By Non Interest Banks | | | 2,184.56 | 1,904.80 | 3,311.35 |
| **(3) Other Assets (net)** | **-3,479,734.66** | **-6,988,047.36** | **-6,258,036.21** | **-7,504,890.90** | **-7,314,942.50** |
| **Total Monetary Assets** | **11,525,530.34** | **13,303,494.50** | **15,483,847.53** | **15,688,963.55** | **18,913,028.98** |
| **Quasi-Money 5/** | **5,954,260.45** | **6,531,913.01** | **8,062,901.35** | **8,656,124.80** | **12,008,237.57** |
| **Money Supply** | **5,571,269.89** | **6,771,581.49** | **7,420,946.18** | **7,032,838.75** | **6,904,791.40** |
| Currency Outside Banks | 1,082,295.07 | 1,245,135.35 | 1,301,160.63 | 1,446,660.40 | 1,437,397.09 |
| Demand Deposits 6/ | 4,488,974.82 | 5,526,446.14 | 6,119,785.55 | 5,586,178.35 | 5,467,394.30 |
| **Total Monetary Liabilities** | **11,525,530.34** | **13,303,494.50** | **15,483,847.53** | **15,688,963.55** | **18,913,029.00** |
| **GROWTH RATE OVER THE PRECEDING DECEMBER (%)** | | | | | |
| Credit to the Domestic Economy (net) | 8.09 | 54.76 | -3.46 | 14.47 | 32.60 |
| Credit to the Private Sector | -3.81 | 44.28 | 6.83 | 6.86 | 11.90 |
| Claims on Federal Government (net) | 43.49 | 22.60 | -138.04 | 32.50 | 169.44 |
| By Central Bank | 22.71 | -21.86 | -1.71 | 35.96 | -10.71 |
| Claims on State and Local Governments | 19.17 | 38.78 | 29.75 | 17.01 | -31.16 |
| Claims on Non-Financial Public Enterprises | | | | | |
| Credit to the Other Private Sector | -4.40 | 44.50 | 5.97 | 6.23 | 14.12 |
| Foreign Assets (net) | -14.31 | 9.71 | 26.69 | -4.26 | -19.68 |
| Other Assets (net) | 25.57 | -100.82 | 10.45 | -19.92 | 2.53 |
| Quasi-Money | 3.31 | 9.70 | 23.44 | 7.36 | 38.73 |
| Money Supply (M1) | 11.05 | 21.54 | 9.59 | -5.23 | -1.82 |
| Broad Money (M2) | 6.91 | 15.43 | 16.39 | 1.32 | 20.55 |

NOTES :
1/ Revised
2/ Provisional
3/ For the purpose of monetary and credit survey, credit to government sector refers strictly to Federal Government and excludes state and local governments.
4/ External assets and liabilities were converted into naira at the official rate on the balance sheet date, except holdings purchased at the AFEM.
5/ Quasi-Money consists of Time, Savings and Foreign Currency Deposits of Commercial, Merchant and Non-Interest Banks, excluding takings from Discount Houses.
6/ Demand Deposits consist of state, local and parastatals deposits at the CBN; state, local and private sector deposits as well as demand deposits of non-financial public enterprises at commercial, merchant and non-interest banks.
Source: Central Bank of Nigeria

## Table 6
## Banking System Credit to the Economy
## (Naira Million)

| End of Month | Aggregate Credit to the Economy | Credit to Federal Govt | Credit to Private Sector | Credit to State &Local Governments | Credit to Non-Financial Public Enterprises | Credit to 'Other' Private Sector | Central Bank Credit to | | | | | Deposit Money Banks Credit to | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Federal Government | Private Sector | State &Local Governments | Non-Financial Public Enterprises | 'Other' Private Sector | Federal Government | Private Sector | State & Local Governments | 'Other'Private Sector |
| **2010** | | | | | | | | | | | | | | | |
| **January** | 7,748,513.4 | -2,333,484.9 | 10,081,998.3 | 310,251.1 | 13,249.4 | 9,758,497.8 | -3,892,223.4 | 502,448.7 | 0.0 | 13,249.4 | 489,199.3 | 1,558,738.5 | 9,579,549.6 | 310,251.1 | 9,269,298.5 |
| **February** | 8,044,868.0 | -2,024,593.1 | 10,069,461.1 | 304,693.3 | 13,249.4 | 9,751,518.5 | -3,577,465.3 | 418,836.0 | 0.0 | 13,249.4 | 405,586.6 | 1,552,872.2 | 9,650,625.1 | 304,693.3 | 9,345,931.9 |
| **March** | 8,268,423.5 | -1,782,248.4 | 10,050,671.9 | 321,814.4 | 13,249.4 | 9,715,608.1 | -3,434,395.3 | 438,681.9 | 0.0 | 13,249.4 | 425,432.6 | 1,652,146.9 | 9,611,990.0 | 321,814.4 | 9,290,175.6 |
| **April** | 8,165,066.4 | -1,914,158.8 | 10,079,225.2 | 331,350.3 | 13,249.4 | 9,734,625.5 | -3,424,015.6 | 389,077.2 | 0.0 | 13,249.4 | 375,827.9 | 1,509,856.8 | 9,690,148.0 | 331,350.3 | 9,358,797.7 |
| **May** | 8,561,185.7 | -1,465,783.4 | 10,026,969.1 | 315,763.9 | 13,249.4 | 9,697,955.8 | -3,043,976.1 | 375,484.3 | 0.0 | 13,249.4 | 362,234.9 | 1,578,192.7 | 9,651,484.7 | 315,763.9 | 9,335,720.8 |
| **June** | 8,516,895.6 | -1,585,921.9 | 10,102,817.5 | 319,167.1 | 0.0 | 9,783,650.4 | -3,272,806.1 | 396,545.3 | 0.0 | 0.0 | 396,545.3 | 1,686,884.2 | 9,706,272.2 | 319,167.1 | 9,387,105.1 |
| **July** | 8,343,791.6 | -1,566,914.0 | 9,910,705.6 | 286,697.3 | 0.0 | 9,624,008.3 | -3,270,122.2 | 488,181.4 | 0.0 | 0.0 | 488,181.4 | 1,703,208.1 | 9,422,524.2 | 286,697.3 | 9,135,826.9 |
| **August** | 9,160,305.0 | -952,896.4 | 10,113,201.4 | 294,724.9 | 0.0 | 9,818,476.5 | -2,748,070.5 | 493,564.1 | 0.0 | 0.0 | 493,564.1 | 1,795,174.1 | 9,619,637.3 | 294,724.9 | 9,324,912.4 |
| **September** | 9,012,118.5 | -1,323,996.3 | 10,336,114.8 | 341,241.2 | 0.0 | 9,994,873.6 | -3,037,356.8 | 564,780.9 | 0.0 | 0.0 | 564,780.9 | 1,713,360.5 | 9,771,333.9 | 341,241.2 | 9,430,092.7 |
| **October** | 9,315,228.3 | -1,219,137.5 | 10,534,365.8 | 384,831.2 | 0.0 | 10,149,534.6 | -2,894,776.9 | 664,063.8 | 0.0 | 0.0 | 664,063.8 | 1,675,639.4 | 9,870,302.1 | 384,831.2 | 9,485,470.8 |
| **November** | 9,326,056.8 | -1,422,322.6 | 10,748,379.3 | 365,652.0 | 0.0 | 10,382,727.3 | -2,976,072.8 | 683,581.8 | 0.0 | 0.0 | 683,581.8 | 1,553,750.3 | 10,064,797.6 | 365,652.0 | 9,699,145.6 |
| **December** | 8,498,646.4 | -1,331,697.7 | 9,830,344.1 | 369,809.8 | 0.0 | 9,460,534.3 | -2,884,013.4 | 632,171.0 | 0.0 | 0.0 | 632,171.0 | 1,552,315.8 | 9,198,173.1 | 369,809.8 | 8,828,363.2 |
| ***Monthly Average*** | **8,580,091.6** | **-1,576,929.6** | **10,157,021.2** | **328,833.0** | **5,520.6** | **9,822,667.6** | **-3,204,607.9** | **503,951.4** | **0.0** | **5,520.6** | **498,430.8** | **1,627,678.3** | **9,653,069.8** | **328,833.0** | **9,324,236.8** |
| **2011** | | | | | | | | | | | | | | | |
| **January** | 8,580,840.0 | -835,866.9 | 9,416,706.9 | 391,043.7 | 0.0 | 9,025,663.2 | -2,823,207.4 | 532,558.4 | 0.0 | 0.0 | 532,558.4 | 1,987,340.5 | 8,884,148.5 | 391,043.7 | 8,493,104.9 |
| **February** | 8,311,078.5 | -867,211.1 | 9,178,289.6 | 355,550.5 | 0.0 | 8,822,739.0 | -2,965,983.0 | 424,370.6 | 0.0 | 0.0 | 424,370.6 | 2,098,772.0 | 8,753,919.0 | 355,550.5 | 8,398,368.4 |
| **March** | 7,996,427.3 | -1,450,519.0 | 9,446,946.3 | 376,771.7 | 0.0 | 9,070,174.6 | -3,401,443.7 | 437,507.5 | 0.0 | 0.0 | 437,507.5 | 1,950,924.7 | 9,009,438.9 | 376,771.7 | 8,632,667.2 |
| **April** | 8,904,957.0 | -995,077.2 | 9,900,034.2 | 364,193.4 | 0.0 | 9,535,840.7 | -2,544,344.0 | 447,451.8 | 0.0 | 0.0 | 447,451.8 | 1,549,266.8 | 9,452,582.4 | 364,193.4 | 9,088,388.9 |
| **May** | 8,758,459.8 | -1,090,788.9 | 9,849,248.7 | 379,327.5 | 0.0 | 9,469,921.2 | -2,718,423.3 | 633,818.1 | 0.0 | 0.0 | 633,818.1 | 1,627,634.4 | 9,215,430.6 | 379,327.5 | 8,836,103.1 |
| **June** | 8,695,736.7 | -1,262,213.2 | 9,957,949.9 | 420,237.9 | 0.0 | 9,537,711.9 | -2,733,579.8 | 726,392.5 | 0.0 | 0.0 | 726,392.5 | 1,471,366.6 | 9,231,557.4 | 420,237.9 | 8,811,319.4 |
| **July** | 7,920,555.8 | -2,031,258.6 | 9,951,814.4 | 369,903.9 | 0.0 | 9,581,910.5 | -3,464,889.4 | 792,614.9 | 0.0 | 0.0 | 792,614.9 | 1,433,630.8 | 9,159,199.5 | 369,903.9 | 8,789,295.6 |
| **August** | 9,689,881.4 | -1,194,345.0 | 10,884,226.4 | 411,873.8 | 0.0 | 10,472,352.6 | -2,992,863.6 | 823,353.3 | 0.0 | 0.0 | 823,353.3 | 1,798,518.7 | 10,060,873.1 | 411,873.8 | 9,648,999.3 |
| **September** | 9,894,881.0 | -1,215,856.0 | 11,110,737.0 | 400,160.8 | 0.0 | 10,710,576.2 | -3,248,412.9 | 870,333.5 | 0.0 | 0.0 | 870,333.5 | 2,032,556.9 | 10,240,403.5 | 400,160.8 | 9,840,242.7 |
| **October** | 9,769,718.2 | -1,868,707.2 | 11,638,425.3 | 432,826.2 | 0.0 | 11,205,599.1 | -3,992,274.9 | 2,145,513.7 | 0.0 | 0.0 | 2,145,513.7 | 2,123,567.7 | 9,492,911.7 | 432,826.2 | 9,060,085.5 |
| **November** | 10,847,558.2 | -1,555,333.4 | 12,402,891.6 | 405,517.0 | 0.0 | 11,997,374.6 | -3,670,432.3 | 2,689,502.2 | 0.0 | 0.0 | 2,689,502.2 | 2,115,098.9 | 9,713,389.4 | 405,517.0 | 9,307,872.4 |
| **December** | 13,152,869.1 | -1,030,722.7 | 14,183,591.8 | 513,218.7 | 0.0 | 13,670,373.2 | -3,514,447.1 | 4,569,146.0 | 0.0 | 0.0 | 4,569,146.0 | 2,483,724.4 | 9,614,445.8 | 513,218.7 | 9,101,227.1 |
| ***Monthly Average*** | **9,376,913.6** | **-1,283,158.3** | **10,660,071.8** | **401,718.8** | **0.0** | **10,258,353.1** | **-3,172,525.1** | **1,257,713.5** | **0.0** | **0.0** | **1,257,713.5** | **1,889,366.9** | **9,402,358.3** | **401,718.8** | **9,000,639.5** |
| **2012** | | | | | | | | | | | | | | | |
| **January** | 13,162,285.9 | -1,479,265.1 | 14,641,551.0 | 494,149.6 | 0.0 | 14,147,401.4 | -3,546,326.9 | 4,584,940.0 | 0.0 | 0.0 | 4,584,940.0 | 2,067,061.8 | 10,056,611.1 | 494,149.6 | 9,562,461.4 |
| **February** | 12,849,847.5 | -1,160,964.9 | 14,010,812.4 | 508,129.6 | 0.0 | 13,502,682.7 | -3,264,912.7 | 4,579,149.1 | 0.0 | 0.0 | 4,579,149.1 | 2,103,947.9 | 9,431,663.3 | 508,129.6 | 8,923,533.6 |
| **March** | 13,264,928.9 | -854,957.1 | 14,119,886.1 | 538,114.3 | 0.0 | 13,581,771.7 | -3,202,625.7 | 4,599,334.1 | 0.0 | 0.0 | 4,599,334.1 | 2,347,668.6 | 9,520,552.0 | 538,114.3 | 8,982,437.6 |
| **April** | 12,936,330.1 | -1,256,292.7 | 14,192,622.8 | 552,117.2 | 0.0 | 13,640,505.5 | -3,494,482.4 | 4,642,383.4 | 0.0 | 0.0 | 4,642,383.4 | 2,238,189.8 | 9,550,239.4 | 552,117.2 | 8,998,122.1 |
| **May** | 12,609,078.3 | -1,863,509.9 | 14,472,588.2 | 572,132.3 | 0.0 | 13,900,455.9 | -3,998,576.0 | 4,730,614.1 | 0.0 | 0.0 | 4,730,614.1 | 2,135,066.1 | 9,741,974.2 | 572,132.3 | 9,169,841.9 |
| **June** | 13,019,453.7 | -1,681,604.7 | 14,701,058.4 | 586,273.7 | 0.0 | 14,114,784.7 | -3,723,009.9 | 4,652,650.4 | 0.0 | 0.0 | 4,652,650.4 | 2,041,405.2 | 10,048,408.0 | 586,273.7 | 9,462,134.4 |
| **July** | 12,846,189.5 | -1,999,193.8 | 14,845,383.3 | 592,398.4 | 0.0 | 14,252,984.9 | -3,897,081.7 | 4,610,184.7 | 0.0 | 0.0 | 4,610,184.7 | 1,897,887.8 | 10,235,198.7 | 592,398.4 | 9,642,800.2 |
| **August** | 12,725,514.1 | -1,982,468.0 | 14,707,982.1 | 580,624.5 | 0.0 | 14,127,357.6 | -3,518,392.2 | 4,448,812.6 | 0.0 | 0.0 | 4,448,812.6 | 1,535,924.1 | 10,259,169.5 | 580,624.5 | 9,678,545.1 |
| **September** | 12,886,595.3 | -1,867,404.2 | 14,753,999.5 | 599,030.7 | 0.0 | 14,154,968.8 | -3,412,289.4 | 4,478,198.7 | 0.0 | 0.0 | 4,478,198.7 | 1,544,885.2 | 10,275,800.8 | 599,030.7 | 9,676,770.1 |
| **October** | 13,093,616.6 | -1,847,500.9 | 14,941,117.5 | 615,248.1 | 27.3 | 14,325,842.2 | -4,114,644.9 | 4,619,913.5 | 0.0 | 27.3 | 4,619,886.3 | 2,267,144.0 | 10,321,204.0 | 615,248.1 | 9,705,955.9 |
| **November** | 13,827,813.6 | -1,424,740.4 | 15,252,554.0 | 644,846.8 | 54.5 | 14,607,652.7 | -3,712,145.1 | 4,651,086.7 | 0.0 | 54.5 | 4,651,032.2 | 2,287,404.7 | 10,601,467.3 | 644,846.8 | 9,956,620.5 |
| **December** | 12,698,205.1 | -2,453,557.1 | 15,151,762.1 | 665,879.3 | 0.0 | 14,485,882.9 | -3,574,376.4 | 4,708,311.8 | 0.0 | 0.0 | 4,708,311.8 | 1,120,819.3 | 10,443,450.3 | 665,879.3 | 9,777,571.1 |
| ***Monthly Average*** | **12,993,321.6** | **-1,655,954.9** | **14,649,276.5** | **579,078.7** | **6.8** | **14,070,190.9** | **-3,621,571.9** | **4,608,798.2** | **0.0** | **6.8** | **4,608,791.4** | **1,965,617.0** | **10,040,478.2** | **579,078.7** | **9,461,399.5** |

/1 Revised
/2 Provisional
Source: Central Bank of Nigeria

## Table 6 Cont.
## Banking System Credit to the Economy
## (Naira Million)

| End of Month | Aggregate Credit to the Economy | Credit to Federal Govt | Credit to Private Sector | Credit to State &Local Governments | Credit to Non-Financial Public Enterprises | Credit to 'Other' Private Sector | Central Bank Credit to | | | | | Deposit Money Banks Credit to | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Federal Government | Private Sector | State &Local Governments | Non-Financial Public Enterprises | 'Other' Private Sector | Federal Government | Private Sector | State & Local Governments | 'Other'Private Sector |
| **2013 /1** | | | | | | | | | | | | | | | |
| **January** | 12,489,950.84 | -2,502,762.38 | 14,992,713.22 | 680,685.36 | 0.00 | 14,312,027.86 | -3,538,253.98 | 4,698,428.54 | 0.00 | 0.00 | 4,698,428.54 | 1,035,491.59 | 10,294,284.69 | 680,685.36 | 9,613,599.33 |
| **February** | 12,808,673.40 | -2,276,494.72 | 15,085,168.13 | 649,633.72 | 0.00 | 14,435,534.40 | -3,351,341.26 | 4,741,575.18 | 0.00 | 0.00 | 4,741,575.18 | 1,074,846.53 | 10,343,592.95 | 649,633.72 | 9,693,959.22 |
| **March** | 12,740,967.85 | -2,520,968.24 | 15,261,936.09 | 662,014.33 | 0.00 | 14,599,921.76 | -3,375,852.30 | 4,754,751.76 | 0.00 | 0.00 | 4,754,751.76 | 854,884.06 | 10,507,184.34 | 662,014.33 | 9,845,170.01 |
| **April** | 13,205,410.88 | -2,202,764.55 | 15,408,175.43 | 690,871.29 | 0.00 | 14,717,304.14 | -3,041,688.80 | 4,795,017.24 | 0.00 | 0.00 | 4,795,017.24 | 838,924.25 | 10,613,158.19 | 690,871.29 | 9,922,286.90 |
| **May** | 13,235,702.52 | -2,249,527.38 | 15,485,229.91 | 652,143.05 | 0.00 | 14,833,086.86 | -3,022,021.85 | 4,687,396.55 | 0.00 | 0.00 | 4,687,396.55 | 772,494.47 | 10,797,833.35 | 652,143.05 | 10,145,690.31 |
| **June** | 13,149,382.49 | -2,542,654.43 | 15,692,036.93 | 661,034.92 | 0.00 | 15,031,002.01 | -3,519,920.52 | 4,703,313.19 | 0.00 | 0.00 | 4,703,313.19 | 977,266.08 | 10,988,723.74 | 661,034.92 | 10,327,688.82 |
| **July** | 13,820,873.48 | -1,975,740.91 | 15,796,614.39 | 723,398.10 | 0.00 | 15,073,216.29 | -2,854,748.13 | 4,651,415.57 | 0.00 | 0.00 | 4,651,415.57 | 879,007.22 | 11,145,198.82 | 723,398.10 | 10,421,800.72 |
| **August** | 13,187,679.95 | -2,913,532.85 | 16,101,212.81 | 724,922.23 | 0.00 | 15,376,290.58 | -3,007,231.67 | 4,638,051.18 | 0.00 | 0.00 | 4,638,051.18 | 93,698.82 | 11,463,161.62 | 724,922.23 | 10,738,239.39 |
| **September** | 13,087,907.24 | -3,191,362.40 | 16,279,269.64 | 704,921.48 | 0.00 | 15,574,348.16 | -2,990,577.31 | 4,820,183.72 | 0.00 | 0.00 | 4,820,183.72 | -200,785.09 | 11,459,085.92 | 704,921.48 | 10,754,164.44 |
| **October** | 13,627,297.31 | -2,649,138.72 | 16,276,436.03 | 708,413.34 | 0.00 | 15,568,022.69 | -2,735,348.48 | 4,835,381.77 | 0.00 | 0.00 | 4,835,381.77 | 86,209.76 | 11,441,054.26 | 708,413.34 | 10,732,640.92 |
| **November** | 14,092,904.40 | -2,358,883.29 | 16,451,787.69 | 732,202.60 | 0.00 | 15,719,585.08 | -2,606,418.50 | 4,829,926.21 | 0.00 | 0.00 | 4,829,926.21 | 247,535.21 | 11,621,861.48 | 732,202.60 | 10,889,658.88 |
| **December** | 14,535,204.72 | -1,656,265.28 | 16,191,470.00 | 779,126.93 | 23,578.28 | 15,388,764.78 | -2,289,104.87 | 4,599,388.32 | 0.00 | 23,578.28 | 4,575,810.04 | 632,839.60 | 11,592,081.68 | 779,126.93 | 10,812,954.75 |
| ***Monthly Average*** | **13,331,829.6** | **-2,420,007.9** | **15,751,837.5** | **697,447.3** | **1,964.9** | **15,052,425.4** | **-3,027,709.0** | **4,729,569.1** | **0.0** | **1,964.9** | **4,727,604.2** | **607,701.0** | **11,022,268.4** | **697,447.3** | **10,324,821.1** |
| | | | | | | | | | | | | | | | |
| **2014 /2** | | | | | | | | | | | | | | | |
| **January** | 15,585,742.76 | -478,512.55 | 16,064,255.31 | 791,235.07 | 0.00 | 15,240,010.37 | -1,103,713.92 | 16,064,255.31 | 0.00 | 0.00 | 4,578,674.03 | 625,201.37 | 11,452,571.42 | 791,235.07 | 10,661,336.35 |
| **February** | 15,681,565.85 | -712,493.70 | 16,394,059.55 | 748,611.17 | 0.00 | 15,619,442.20 | -1,306,751.86 | 16,394,059.55 | 0.00 | 0.00 | 4,618,807.06 | 594,258.16 | 11,749,246.30 | 748,611.17 | 11,000,635.13 |
| **March** | 18,100,749.54 | 1,649,444.65 | 16,451,304.89 | 577,940.99 | 0.00 | 15,849,776.18 | -1,281,773.89 | 16,451,304.89 | 0.00 | 0.00 | 4,612,395.66 | 2,931,218.54 | 11,815,321.50 | 577,940.99 | 11,237,380.51 |
| **April** | 17,889,792.44 | 1,177,186.91 | 16,712,605.54 | 561,563.61 | 0.00 | 16,129,854.20 | -1,546,103.03 | 16,712,605.54 | 0.00 | 0.00 | 4,687,670.45 | 2,723,289.93 | 12,001,347.36 | 561,563.61 | 11,442,183.76 |
| **May** | 15,763,643.97 | -971,628.14 | 16,735,272.12 | 758,166.42 | 0.00 | 15,951,117.97 | -1,854,662.84 | 16,735,272.12 | 0.00 | 0.00 | 4,677,958.38 | 883,034.70 | 12,033,726.01 | 758,166.42 | 11,273,159.58 |
| **June** | 16,689,493.70 | -236,088.87 | 16,925,582.57 | 486,924.37 | 0.00 | 16,415,070.47 | -2,913,883.11 | 16,925,582.57 | 0.00 | 0.00 | 4,678,748.26 | 2,677,794.24 | 12,223,246.58 | 486,924.37 | 11,736,322.21 |
| **July** | 17,403,322.76 | 171,614.44 | 17,231,708.32 | 524,176.73 | 0.00 | 16,683,943.87 | -2,877,803.51 | 17,231,708.32 | 0.00 | 0.00 | 4,671,619.43 | 3,049,417.94 | 12,536,501.16 | 524,176.73 | 12,012,324.43 |
| **August** | 17,581,836.62 | 176,365.83 | 17,405,470.79 | 484,020.07 | 0.00 | 16,897,863.00 | -2,739,737.31 | 17,405,470.79 | 0.00 | 0.00 | 4,673,510.26 | 2,916,103.14 | 12,708,372.81 | 484,020.07 | 12,224,352.74 |
| **September** | 17,968,357.81 | 276,678.55 | 17,691,679.26 | 484,483.50 | 0.00 | 17,183,608.02 | -2,579,437.57 | 17,691,679.26 | 0.00 | 0.00 | 4,674,233.97 | 2,856,116.13 | 12,993,857.56 | 484,483.50 | 12,509,374.05 |
| **October** | 18,692,283.93 | 904,623.72 | 17,787,660.21 | 491,534.66 | 0.00 | 17,272,537.83 | -2,527,660.55 | 17,787,660.21 | 0.00 | 0.00 | 4,926,822.50 | 3,432,284.27 | 12,837,249.98 | 491,534.66 | 12,345,715.32 |
| **November** | 19,017,135.96 | 944,524.71 | 18,072,611.25 | 487,395.51 | 0.00 | 17,561,628.00 | -2,562,867.53 | 18,072,611.25 | 0.00 | 0.00 | 4,860,415.84 | 3,507,392.24 | 13,188,607.68 | 487,395.51 | 12,701,212.17 |
| **December** | 19,273,756.71 | 1,150,107.24 | 18,123,649.46 | 536,367.32 | 0.00 | 17,561,691.79 | -2,141,684.16 | 18,123,649.46 | 0.00 | 0.00 | 4,834,297.39 | 3,291,791.40 | 13,263,761.72 | 536,367.32 | 12,727,394.40 |
| ***Monthly Average*** | **17,470,640.2** | **337,651.9** | **17,132,988.3** | **577,701.6** | **0.00** | **16,530,545.3** | **-2,119,673.3** | **17,132,988.3** | **0.00** | **0.00** | **4,707,929.4** | **2,457,325.2** | **12,400,317.5** | **577,701.6** | **11,822,615.9** |

## Table 7
## Summary of Banks' Activities

| | 2010 | 2011 | 2012 | 2013 /1 | 2014 /2 | 2010 | 2011 | 2012 | 2013 /1 | 2014 /2 |
|---|---|---|---|---|---|---|---|---|---|---|
| Item | | | | | | | | | | |
| Reserves /3 | 793,721.12 | 1,287,075.14 | 3,543,381.66 | 3,743,322.14 | 5,514,562.25 | 11.75 | 62.16 | 175.30 | 5.64 | 47.32 |
| Aggregate Credit (Net) | 11,217,244.84 | 12,878,259.06 | 13,424,886.00 | 12,207,717.51 | 13,725,328.39 | -1.08 | 14.81 | 4.24 | -9.07 | 12.43 |
| Loans and Advances | 6,629,580.72 | 6,489,761.77 | 6,833,636.59 | 6,677,225.03 | 12,070,715.36 | -21.56 | -2.11 | 5.30 | -2.29 | 80.77 |
| Total assets | 17,331,559.02 | 19,396,633.76 | 21,303,951.77 | 24,468,368.48 | 27,690,106.97 | -1.09 | 11.92 | 9.83 | 14.85 | 13.17 |
| Total Deposit Liabilities | 9,784,542.41 | 11,452,763.25 | 13,135,887.35 | 13,825,188.77 | 17,258,583.05 | 6.93 | 17.05 | 14.70 | 5.25 | 24.83 |
| Demand deposits | 3,830,281.95 | 4,920,850.24 | 5,072,986.00 | 5,169,063.97 | 5,250,345.48 | 13.10 | 28.47 | 3.09 | 1.89 | 1.57 |
| Time, Savings & Foreign Currencies Deposits | 5,954,260.45 | 6,531,913.01 | 8,062,901.35 | 8,656,124.80 | 12,008,237.57 | 3.31 | 9.70 | 23.44 | 7.36 | 38.73 |
| Foreign Assets (Net) | 1,134,332.78 | 1,314,878.51 | 1,650,121.00 | 1,614,722.37 | 709,495.85 | 5.91 | 15.92 | 25.50 | -2.15 | -56.06 |
| Credit from Central Bank | 418,714.00 | 294,984.06 | 228,036.25 | 262,170.55 | 257,017.73 | 2.34 | -29.55 | -22.70 | 14.97 | -1.97 |
| Capital Accounts | 2,217,804.45 | 3,682,121.44 | 3,640,682.01 | 3,915,405.55 | 4,516,255.95 | -55.02 | 66.03 | -1.13 | 7.55 | 15.35 |
| Capital & Reserves | 429,608.99 | 2,486,966.78 | 2,408,141.11 | 2,649,166.02 | 3,059,822.74 | -80.49 | 478.89 | -3.17 | 10.01 | 15.50 |
| Other Provisions | 1,788,195.45 | 1,195,154.66 | 1,232,540.90 | 1,266,239.52 | 1,456,433.21 | -34.47 | -33.16 | 3.13 | 2.73 | 15.02 |
| | | | | | | | | | | |
| Average Liquidity Ratio (%) | 29.59 | 25.50 | 43.67 | 57.87 | 42.96 | | | | | |
| Average Loan/Deposit Ratio (%) | 76.93 | 46.91 | 45.49 | 37.64 | 55.91 | | | | | |

/1 Revised
/2 Provisional
/3 Includes CBN Bills held by Deposit Money Banks
Source: Central Bank of Nigeria

# Table 8
## Deposit Money Banks' Sources and Application of Funds
## (Naira Million)

| Item | 2010 | | 2011 | | 2012 | | 2013 /1 | | 2014 /2 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sources | Application | Sources | Application | Sources | Application | Sources | Application | Sources | Application |
| **Assets** | | | | | | | | | | |
| Reserves | -34,043.2 | 0.0 | 0.0 | 41,578.9 | 0.0 | 149,762.6 | 0.0 | 558,665.5 | 0.0 | 564,016.59 |
| Foreign assets | -11,164.1 | 0.0 | -125,026.6 | 0.0 | -115,631.6 | 0.0 | 0.0 | 15,351.8 | (99,008.7) | 0.0 |
| Claims on Central Bank | | | | | | | (102,352.9) | 0.0 | (91,290.6) | 0.0 |
| Claims on Central Government | 0.0 | 94,667.8 | 0.0 | 377,661.2 | 0.0 | 38,585.6 | 0.0 | 482,584.7 | (223,863.7) | 0.0 |
| Claims on State & Local Government | 0.0 | 4,157.8 | 0.0 | 107,701.7 | 0.0 | 21,032.5 | 0.0 | 46,924.3 | 0.0 | 8,974.7 |
| Claims on Private Sector | -954,169.1 | 0.0 | -206,645.2 | 0.0 | -177,702.4 | 0.0 | (83,189.7) | 0.0 | 0.0 | 47,908.7 |
| Claims on Other Financial Institutions | 0.0 | 23,934.8 | 0.0 | 114,686.0 | -31,271.5 | 0.0 | (18,003.5) | 0.0 | (35,528.0) | 0.0 |
| Unclassified Assets | -97,416.6 | 0.0 | -184,403.4 | 0.0 | -428,197.1 | 0.0 | (87,821.8) | 0.0 | (10,693.0) | 0.0 |
| **Liabilities** | | | | | | | | | | |
| Demand Deposits | 34,651.4 | 0.0 | 678,265.6 | 0.0 | 26,223.8 | 0.0 | 390,518.5 | 0.0 | 0.0 | (235,663.8) |
| Time, Savings & Foreign Currency Deposits | 85,851.2 | 0.0 | 94,722.6 | 0.0 | 0.0 | -118,630.1 | 288,372.3 | 0.0 | 584,899.1 | 0.0 |
| Money Market Instruments | 0.0 | -34,296.3 | 12,936.5 | 0.0 | 0.0 | -130,923.6 | 0.0 | (2,078.6) | 0.0 | (11,529.8) |
| Bonds | 843.6 | 0.0 | 2,966.2 | 0.0 | 0.0 | -1,303.1 | 44,123.0 | 0.0 | 137,017.8 | 0.0 |
| Foreign Liabilities | 393.6 | 0.0 | 41,827.1 | 0.0 | 0.0 | -13,473.5 | 65,366.0 | 0.0 | 0.0 | (8,456.3) |
| Central Government Deposits | 24,018.9 | 0.0 | 0.0 | -162,599.8 | 104,438.1 | 0.0 | 100,654.8 | 0.0 | 58,033.8 | 0.0 |
| Credit from Central Bank | 0.0 | -45,589.9 | 51,554.2 | 0.0 | 0.0 | -31,297.8 | 0.0 | (13,574.9) | 0.0 | (26,530.6) |
| Capital Accounts | 0.0 | -1,131,709.7 | 0.0 | -242,626.9 | 1,722.7 | 0.0 | 0.0 | (17,796.7) | 4,572.7 | 0.0 |
| Unclassified Liabilities | 91,804.6 | 0.0 | 0.0 | -351,492.9 | 0.0 | -380,178.4 | 0.0 | (43,425.9) | 0.0 | (341,826.8) |
| **Funds Sourced & Used** | **1,334,356.4** | **1,334,356.4** | **1,398,347.5** | **1,398,347.5** | **885,187.2** | **885,187.2** | 1,180,402.5 | 1,180,402.5 | 1,244,907.4 | 1,244,907.4 |

/1 Revised
/2 Provisional
Source: Central Bank of Nigeria

## Table 9
## Summary of Microfinance Banks' Activities
## (Naira Million/ unless otherwise stated)

| Item | 2010 | 2011 | 2012 | 2013 /1 | 2014 /2 |
|---|---|---|---|---|---|
| Number of Licensed MFBs | 801 | 873 | 879 | 820 | 891 |
| Number of Reporting MFBs | 801 | 474 | 566 | 820 | 679 |
| Number of Non-Reporting MFBs | | | | | |
| Capital and Reserves | 43,997.50 | 29,094.80 | 53,282.13 | 72,963.74 | 91,008.80 |
| Total Assets | 170,338.90 | 117,872.10 | 222,766.59 | 270,896.14 | 300,700.00 |
| Deposit Liabilities | 75,739.60 | 59,375.90 | 132,154.70 | 135,918.73 | 145,830.00 |
| Loans & Advances (Net) | 52,867.50 | 50,928.30 | 96,971.56 | 129,026.97 | 162,900.00 |
| Investments | 8,674.20 | 8,959.80 | 14,529.43 | 14,703.04 | 15,785.60 |
| Average Loan/ Deposit Ratio (%) | 69.80 | 85.77 | 73.38 | 94.93 | 111.70 |
| **Percentage Change (%)** | | | | | |
| Number of Reporting Banks | -3 | -41 | 19 | 45 | -17 |
| Capital and Reserves | -2.79 | -33.87 | 32.46 | 36.94 | 24.70 |
| Total Assets | 7.27 | -30.80 | 43.61 | 21.61 | 11.00 |
| Deposit Liabilities | 4.11 | -21.61 | 45.64 | 2.85 | 7.30 |
| Loans & Advances (Net) | -5.29 | -3.67 | 49.16 | 33.06 | 26.30 |
| Investments | 11.87 | 3.29 | 32.01 | 1.19 | 7.40 |
| **Sectoral Distribution of Loans & Advances** | | | | | |
| (i) Agriculture and Forestry | 5,102.90 | 4,679.22 | 4,511.68 | 4,803.12 | 7735.68 |
| (ii) Mining & Quarrying | 520.40 | 329.44 | 490.52 | 603.25 | 187.09 |
| (iii) Manufacturing | 2,172.80 | 1,728.85 | 2,318.02 | 2,937.27 | 3156.49 |
| (iv) Real Estate and Construction | 2,257.40 | 1,725.45 | 4,047.36 | 2,616.01 | 5486.51 |
| (v) Commerce | 23,333.77 | 32,873.24 | 48,811.69 | 50,008.04 | 58821.75 |
| (vi) Transportation/Communication | 2,642.10 | 3,241.71 | 3,245.49 | 3,401.44 | 4566.96 |
| (vii) Others | 16,957.00 | 12,118.47 | 21,848.46 | 48,257.90 | 32155.66 |
| **Deposits and Lending Rates (average %)** | | | | | |
| (i) Savings deposits | Negotiable | Negotiable | Negotiable | Negotiable | Negotiable |
| (ii) Time/Term deposits | Negotiable | Negotiable | Negotiable | Negotiable | Negotiable |
| (iii) Interest rate on Loan & Advances | Negotiable | Negotiable | Negotiable | Negotiable | Negotiable |

/1 Revised
/2 Provisional
Source: Central Bank of Nigeria

## Table 10
## Discount Houses' Statements of Assets and Liabilities
## (Naira Million)

| Item | 2010 | 2011 | 2012 | 2013 /1 | 2014 /2 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **CASH AND BALANCES WITH BANKS** | **5,917.80** | **2,415.55** | **4,315.18** | **1,278.47** | **1,111.26** |
| i) Cash on hand | 1.00 | 1.52 | 1.34 | 0.20 | 0.24 |
| ii) Balances with CBN | 1,090.20 | 1,282.60 | 2,615.04 | 93.74 | 76.10 |
| iii) Balances with other banks | 4,826.60 | 1,131.43 | 1,698.80 | 1,184.53 | 1,034.92 |
| **CLAIMS ON FEDERAL GOVERNMENT** | **261,044.83** | **223,277.50** | **266,823.58** | **94,394.70** | **92,646.69** |
| i) Treasury Bills | 60,883.40 | 60,768.40 | 124,865.72 | 31,359.85 | 57,554.13 |
| ii) FGN Bonds | 200,161.43 | 162,509.10 | 141,957.87 | 63,034.85 | 35,092.55 |
| iii) Treasury Certificate Maturing | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| iv) Treasury Bonds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| v) Eligible Development Stock | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **CLAIMS ON STATE GOVERNMENTS** | **1,350.57** | **5,186.80** | **5,696.40** | **2,536.65** | **2,138.98** |
| **CLAIMS ON BANKS** | **8,767.14** | **10,807.44** | **2,549.45** | **9,948.59** | **4,988.27** |
| i) Money at Call | 6,700.00 | 10,751.94 | 250.00 | 9,948.59 | 4,723.12 |
| ii) Loans and Advances | 500.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| iii) Commercial Bills: | 1,019.90 | 0.00 | 1,523.78 | 0.00 | 265.15 |
| a) Bankers Acceptances | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b) Promissory Notes | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| c) Negotiable Certificate of Deposit | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| d) Stabilisation Securities | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| iv) Others | 547.25 | 55.50 | 775.67 | 0.00 | 0.00 |
| **CLAIMS ON OTHER FINANCIAL INSTITUTIONS** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** |
| Money at Call | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Loans and advances | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Commercial Bills: | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| a) Promissory Notes | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b) Negotiable Certificate of Deposit/Others | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **CLAIMS ON OTHERS** | **60,375.60** | **35,048.36** | **35,834.56** | **12,276.58** | **19,037.10** |
| i) Commercial Bills | 40,134.50 | 12,553.22 | 12,992.44 | 9,363.47 | 18,665.38 |
| ii) Loans and Advances | 19,200.80 | 17,898.97 | 14,685.80 | 0.00 | 0.00 |
| iii) Others | 1,040.30 | 4,596.17 | 8,156.32 | 2,913.11 | 371.72 |
| **OTHER ASSETS** | **23,745.40** | **42,436.16** | **26,121.00** | **12,053.75** | **10,069.51** |
| **FIXED ASSETS** | **1,207.40** | **1,581.32** | **3,378.67** | **1,274.14** | **1,237.76** |
| **TOTAL ASSETS** | **362,408.50** | **320,753.13** | **344,718.83** | **133,762.88** | **131,229.57** |
| **LIABILITIES** | | | | | |
| **CAPITAL AND RESERVES** | **41,374.92** | **49,612.17** | **34,970.52** | **18,044.50** | **29,753.41** |
| i) Paid-up Capital | 15,590.63 | 15,645.23 | 15,479.99 | 6,784.60 | 8,854.12 |
| ii) Statutory Reserves | 8,553.21 | 10,535.84 | 12,141.60 | 5,090.19 | 5,959.39 |
| iii) Share Premium | 4,737.25 | 4,737.30 | 4,737.30 | 3,090.28 | 6,331.24 |
| iv) Other Reserves | 6,579.17 | 11,019.80 | 11,099.07 | 1,346.28 | 4,224.88 |
| v) General Reserve | 5,914.66 | 7,674.00 | -8,487.44 | 1,733.15 | 4,383.78 |
| **MONEY-AT-CALL** | **247,727.66** | **152,927.72** | **206,301.85** | **62,559.15** | **71,692.05** |
| i) Commercial Banks | 221,977.06 | 127,372.80 | 191,790.66 | 17,521.78 | 16,592.61 |
| ii) Merchant Banks | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| iii) Non-Bank Financial Institutions | 0.00 | 0.00 | 0.00 | 0.00 | 49,024.55 |
| iv) Others | 25,750.59 | 25,554.92 | 14,511.19 | 45,037.37 | 6,074.89 |
| v) Associated Treasury Notes | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **OTHER AMOUNT OWING TO:** | **22,833.10** | **54,242.50** | **56,458.80** | **40,018.54** | **23,495.39** |
| i) Commercial Banks | 21,020.30 | 40,672.60 | 14,908.96 | 73.55 | 3,000.00 |
| ii) Merchant Banks | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| iii) Non-Bank Financial Institutions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| iv) Others | 1,812.80 | 13,569.90 | 41,549.84 | 39,944.99 | 20,495.39 |
| **BORROWINGS** | **5,850.00** | **3,000.00** | **0.00** | **0.00** | **63.78** |
| i) Central Bank of Nigeria | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| ii) Overdrafts | 0.00 | 0.00 | 0.00 | 0.00 | 63.78 |
| iii) Other Banks | 5,850.00 | 3,000.00 | 0.00 | 0.00 | 0.00 |
| **OTHER LIABILITIES** | **44,622.90** | **60,970.74** | **46,987.63** | **13,140.70** | **6,224.95** |
| **TOTAL LIABILITIES** | **362,409.50** | **320,753.13** | **344,718.81** | **133,762.89** | **131,229.57** |

/1 Revised
/2 Provisional
Source: Central Bank of Nigeria

**Table 11**
**Summary of Assets and Liabilities of Finance Companies**
**(Naira Million)**

| Item | 2010 | 2011 | 2012 | 2013 /1 | 2014 /2 |
|---|---|---|---|---|---|
| 1 Cash and Cash Items | 5,821.60 | 12,799.10 | 2,669.27 | 2,605.60 | 3,188.53 |
| 2 Investments | 27,123.30 | 26,806.80 | 16,868.30 | 19,448.77 | 20,158.63 |
| 3 Due from other Finance Companies | 22,044.00 | 12,324.10 | 10,961.88 | 11,571.86 | 8,012.35 |
| 4. Loans and Advances | 30,646.30 | 33,356.70 | 23,772.24 | 46,679.83 | 48,808.70 |
| 5. Fixed Assets | 9,046.50 | 9,814.70 | 8,584.81 | 7,548.55 | 11,576.42 |
| 6. Other Assets | 19,099.90 | 19,819.30 | 15,450.98 | 15,197.74 | 27,845.00 |
| Total Assets | 113,781.60 | 114,920.70 | 78,307.48 | 103,052.35 | 119,589.63 |
| 1.Capital and Reserves | 10,216.10 | 10,996.00 | 13,008.69 | 18,276.15 | 18,453.12 |
| 2. Share Deposits | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3. Due to other Finance Companies | 8,351.30 | 8,330.30 | 574.42 | 742.62 | 3,627.71 |
| 4. Borrowings | 81,232.10 | 78,552.10 | 47,578.81 | 59,220.85 | 68,420.24 |
| 5. Other Liabilities | 13,982.10 | 17,042.30 | 17,145.56 | 24,812.73 | 29,088.56 |
| Total Liabilities | 113,781.60 | 114,920.70 | 78,307.48 | 103,052.35 | 119,589.63 |

Table prepared based on 26 actual returns and 43 provisional returns of the 69 Finance Companies as at end-2014.
/1 Revised
/2 Provisional
Source: Central Bank of Nigeria

## Table 12
## Value of Money Market Assets 1/
## (Naira Million)

| | 2010 | 2011 | 2012 | 2013 /1 | 2014 /2 |
|---|---|---|---|---|---|
| | | | | | |
| Treasury Bills | 1,277,100.0 | 1,727,910.0 | 2,122,927.0 | 2,581,550.6 | 2,815,523.8 |
| | | | | | |
| | | | | | |
| Development Stocks | 220.0 | 0.0 | 0.0 | 0.0 | 0.00 |
| | | | | | |
| Certificates of Deposits | 0.0 | 0.0 | 34,000.0 | 20,500.0 | 50,954.0 |
| | | | | | |
| Commercial Papers | 189,216.4 | 203,008.3 | 1,050.4 | 9,324.8 | 9,848.1 |
| | | | | | |
| Bankers' Acceptances | 79,172.3 | 73,406.1 | 9,863.8 | 20,470.0 | 36,644.6 |
| | | | | | |
| FGN Bonds | 2,901,600.0 | 3,541,200.0 | 4,080,048.8 | 4,222,037.7 | 4,792,281.2 |
| | | | | | |
| **Total** | **4,447,308.7** | **5,545,524.4** | **6,247,890.0** | **6,853,883.1** | **7,705,251.7** |
| **Growth (%)** | | | | | |
| | | | | | |
| Treasury Bills | 60.1 | 35.3 | 22.9 | 21.6 | 9.1 |
| | | | | | |
| Treasury Certificates | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | | | | |
| Eligible Development Stocks | -57.7 | -100.0 | 0.0 | 0.0 | 0.0 |
| | | | | | |
| Certificates of Deposits | 0.0 | 0.0 | 0.0 | -39.7 | 148.6 |
| | | | | | |
| Commercial Papers | -62.8 | 7.3 | -99.5 | 787.8 | 5.6 |
| | | | | | |
| Bankers' Acceptances | 27.2 | -7.3 | -86.6 | 107.5 | 79.0 |
| | | | | | |
| FGN Bonds | 49.9 | 22.0 | 15.2 | 3.5 | 13.5 |
| | | | | | |
| **Total** | **31.0** | **24.7** | **12.7** | **9.7** | **12.4** |

/1 Revised
/2 Provisional
Source: Central Bank of Nigeria

## Table 13
## Treasury Bills: Issues and Subscriptions
## (Naira Million)

| Period | Issues | Subscriber | | |
|---|---|---|---|---|
| | | Central Bank | Deposit Money Banks | Non-Bank Public /1 |
| **2010** | | | | |
| January | 149,830.00 | 0.00 | 140,590.00 | 9,240.00 |
| February | 100,220.00 | 0.00 | 97,910.00 | 2,310.00 |
| March | 65,000.00 | 0.00 | 54,960.00 | 10,040.00 |
| April | 160,490.00 | 0.00 | 127,420.00 | 33,070.00 |
| May | 100,220.00 | 0.00 | 93,530.00 | 6,690.00 |
| June | 158,700.00 | 0.00 | 116,150.00 | 42,550.00 |
| July | 250,910.00 | 0.00 | 185,640.00 | 65,270.00 |
| August | 141,160.00 | 0.00 | 130,260.00 | 10,900.00 |
| September | 206,570.00 | 0.00 | 165,740.00 | 40,830.00 |
| October | 167,010.00 | 0.00 | 151,870.00 | 15,140.00 |
| November | 205,930.00 | 0.00 | 175,890.00 | 30,040.00 |
| December | 297,910.00 | 0.00 | 239,910.00 | 58,000.00 |
| **Total** | **2,003,950.00** | **0.00** | **1,679,870.00** | **324,080.00** |
| **Average** | **166,995.83** | **0.00** | **139,989.17** | **27,006.67** |
| **2011** | | | | |
| January | 205,590.00 | 0.00 | 167,610.00 | 37,980.00 |
| February | 216,920.00 | 0.00 | 173,140.00 | 43,780.00 |
| March | 284,060.00 | 0.00 | 205,670.00 | 78,390.00 |
| April | 215,070.00 | 0.00 | 148,200.00 | 66,870.00 |
| May | 204,600.00 | 0.00 | 131,360.00 | 73,240.00 |
| June | 340,240.00 | 0.00 | 210,770.00 | 129,470.00 |
| July | 209,740.00 | 0.00 | 156,800.00 | 52,940.00 |
| August | 218,920.00 | 0.00 | 142,430.00 | 76,490.00 |
| September | 280,570.00 | 0.00 | 202,370.00 | 78,200.00 |
| October | 309,950.00 | 0.00 | 167,550.00 | 142,400.00 |
| November | 242,930.00 | 0.00 | 140,340.00 | 102,590.00 |
| December | 319,910.00 | 0.00 | 176,590.00 | 143,320.00 |
| **Total** | **3,048,500.00** | **0.00** | **2,022,830.00** | **1,025,670.00** |
| **Average** | **254,041.67** | **0.00** | **168,569.17** | **85,472.50** |
| **2012 /2** | | | | |
| **January** | 316,300.00 | 163860.0 | 91,230.00 | 61,210.00 |
| **February** | 298,920.00 | 0.0 | 176,640.00 | 122,280.00 |
| **March** | 332,230.00 | 0.0 | 217,650.00 | 114,580.00 |
| **April** | 324,270.00 | 0.0 | 223,660.00 | 100,610.00 |
| **May** | 273,400.00 | 0.0 | 180,820.00 | 92,570.00 |
| **June** | 373,160.00 | 0.0 | 249,120.00 | 124,040.00 |
| **July** | 250,460.00 | 0.0 | 151,900.00 | 98,550.00 |
| **August** | 222,700.00 | 0.0 | 140,970.00 | 81,740.00 |
| **September** | 348,890.00 | 0.0 | 253,180.00 | 95,710.00 |
| **October** | 283,110.00 | 0.0 | 159,430.00 | 123,680.00 |
| **November** | 246,030.00 | 0.0 | 116,930.00 | 129,100.00 |
| **December** | 340,190.00 | 0.0 | 180,460.00 | 159,730.00 |
| **Total** | **3,609,660.00** | **163,860.00** | **2,141,990.00** | **1,303,800.00** |
| **Average** | **300,805.00** | **13,655.00** | **178,499.17** | **108,650.00** |
| **2013** | | | | |
| January | 331,296.66 | 0.00 | 204,317.08 | 126,979.58 |
| February | 354,924.18 | 0.00 | 243,734.06 | 111,190.12 |
| March | 398,285.09 | 0.00 | 190,441.99 | 207,843.10 |
| April | 324,269.40 | 0.00 | 200,048.22 | 124,221.18 |
| May | 278,388.72 | 0.00 | 179,760.34 | 98,628.38 |
| June | 397,845.75 | 0.00 | 152,626.18 | 245,219.57 |
| July | 185,451.25 | 0.00 | 51,972.97 | 133,478.28 |
| August | 222,705.12 | 0.00 | 114,303.78 | 108,401.34 |
| September | 331,217.97 | 0.00 | 135,605.36 | 195,612.61 |
| October | 226,109.77 | 0.00 | 125,326.54 | 100,783.22 |
| November | 199,782.18 | 0.00 | 116,364.93 | 83,417.25 |
| December | 400,605.12 | 0.00 | 139,214.85 | 261,390.28 |
| **Total** | **3,650,881.21** | **0.00** | **1,853,716.30** | **1,797,164.91** |
| **Average** | **304,240.10** | **0.00** | **154,476.36** | **149,763.74** |
| **2014** | | | | |
| January | 712,276.47 | 0.00 | 527,501.03 | 184,775.44 |
| February | | 0.00 | | |
| March | | 0.00 | | |
| April | | 0.00 | | |
| May | | 0.00 | | |
| June | 1,023,166.77 | 0.00 | 656,525.37 | 366,641.40 |
| July | 408,511.93 | 0.00 | 228,829.69 | 179,682.23 |
| August | 379,145.88 | 0.00 | 244,960.44 | 134,185.44 |
| September | 406,403.85 | 0.00 | 170,184.90 | 236,218.95 |
| October | 352,322.71 | 0.00 | 76,643.48 | 275,679.23 |
| November | 401,090.91 | 0.00 | 156,125.39 | 244,965.52 |
| December | 460,172.23 | 0.00 | 279,875.53 | 180,296.70 |
| **Total** | **4,143,090.73** | **0.00** | **2,340,645.83** | **1,802,444.90** |
| **Average** | **517,886.34** | **0.00** | **292,580.73** | **225,305.61** |

/1 Includes Discount Houses, Government Parastatals, Savings type institutions, e.t.c.
/2 Revised
Source: Central Bank of Nigeria

## Table 14
## Holdings of Treasury Bills Outstanding
## (Naira Million)

| Period | Total Outstanding | Central Bank including Rediscount | Deposit Money Banks | Others |
|---|---|---|---|---|
| **2010** | | | | |
| January | 837.32 | 0.00 | 710.97 | 126.35 |
| February | 837.32 | 0.00 | 645.32 | 192.00 |
| March | 837.32 | 0.00 | 634.30 | 203.02 |
| April | 837.32 | 0.00 | 511.34 | 325.98 |
| May | 837.32 | 0.00 | 578.96 | 258.36 |
| June | 901.02 | 0.00 | 785.23 | 115.79 |
| July | 977.03 | 0.00 | 679.85 | 297.18 |
| August | 1,017.97 | 0.00 | 764.25 | 253.72 |
| September | 1,064.27 | 24.48 | 658.32 | 381.47 |
| October | 1,106.34 | 24.48 | 729.58 | 352.28 |
| November | 1,191.12 | 24.48 | 698.25 | 468.39 |
| December | 1,277.10 | 24.48 | 925.32 | 327.30 |
| Average | **976.79** | **8.16** | **693.47** | **275.15** |
| **2011** | | | | |
| January | 1,277.10 | 35.78 | 1,241.32 | 0.00 |
| February | 1,337.09 | 55.23 | 1,281.86 | 0.00 |
| March | 1,439.59 | 30.66 | 1,408.93 | 0.00 |
| April | 1,499.59 | 29.58 | 1,470.01 | 0.00 |
| May | 1,541.59 | 32.60 | 1,508.99 | 0.00 |
| June | 1,561.42 | 19.42 | 1,542.00 | 0.00 |
| July | 1,611.43 | 17.00 | 1,594.43 | 0.00 |
| August | 1,641.42 | 13.32 | 1,628.10 | 0.00 |
| September | 1,607.83 | 3.42 | 1,604.41 | 0.00 |
| October | 1,710.77 | 79.33 | 1,631.44 | 0.00 |
| November | 1,725.77 | 93.63 | 1,632.14 | 0.00 |
| December | 1,727.91 | 69.30 | 1,658.61 | 0.00 |
| Average | **1,556.79** | **39.94** | **1,516.85** | **0.00** |
| **2012** | | | | |
| January | 1,812.76 | 164.00 | 1,283.06 | 365.70 |
| February | 1,872.78 | 164.00 | 1,322.08 | 386.70 |
| March | 1,947.18 | 163.89 | 1,679.48 | 103.81 |
| April | 1,986.19 | 111.76 | 1,508.49 | 365.94 |
| May | 2,047.19 | 111.76 | 1,539.83 | 395.60 |
| June | 2,084.58 | 111.73 | 1,388.57 | 584.28 |
| July | 2,094.59 | 60.74 | 1,673.92 | 359.93 |
| August | 2,124.59 | 60.74 | 1,644.74 | 419.11 |
| September | 2,132.92 | 62.32 | 1,648.35 | 422.25 |
| October | 2,132.92 | 62.32 | 1,722.12 | 348.48 |
| November | 2,132.92 | 62.31 | 1,703.84 | 366.77 |
| December | 2,122.93 | 62.32 | 1,451.29 | 609.32 |
| Average | **2,040.96** | **99.82** | **1,547.15** | **393.99** |
| **2013** | | | | |
| January | 2,197.93 | 1.65 | 1,632.16 | 564.12 |
| February | 2,260.93 | 1.67 | 1,599.91 | 659.35 |
| March | 2,371.69 | 0.09 | 1,716.83 | 654.77 |
| April | 2,371.69 | 0.12 | 1,674.27 | 697.30 |
| May | 2,392.44 | 0.09 | 1,673.37 | 718.98 |
| June | 2,483.29 | 0.13 | 1,649.38 | 833.77 |
| July | 2,483.29 | 0.72 | 1,112.43 | 1,370.13 |
| August | 2,483.29 | 0.60 | 1,137.32 | 1,345.36 |
| September | 2,483.29 | 0.01 | 1,013.82 | 1,469.46 |
| October | 2,483.29 | 64.91 | 1,070.09 | 1,348.28 |
| November | 2,483.29 | 61.32 | 1,059.96 | 1,362.01 |
| December | 2,581.55 | 59.02 | 1,317.88 | 1,204.65 |
| Average | **2,422.99** | **15.86** | **1,388.12** | **1,019.02** |
| **2014** | | | | |
| January | 2,621.55 | 17.64 | 2,056.49 | 547.42 |
| February | 2,621.55 | 5.99 | 1,916.75 | 698.81 |
| March | 2,735.74 | 3.36 | 1,992.06 | 740.32 |
| April | 2,735.75 | 3.64 | 2,072.61 | 659.50 |
| May | 2,735.87 | 2.25 | 1,686.23 | 1,047.39 |
| June | 2,735.87 | 1.59 | 1,526.28 | 1,208.00 |
| July | 2,735.87 | 1.58 | 1,960.12 | 774.17 |
| August | 2,735.87 | 1.58 | 2,011.34 | 722.95 |
| September | 2,735.86 | 1.58 | 1,966.71 | 767.57 |
| October | 2,810.87 | 1.61 | 1,993.34 | 815.92 |
| November | 2,810.86 | 1.62 | 1,966.67 | 842.57 |
| December | 2,815.52 | 1.81 | 1,969.12 | 844.59 |
| Average | **2,735.93** | **3.69** | **1,926.48** | **805.77** |

/1 Revised
Source: Central Bank of Nigeria

## Table 15
## Open Market Operations

| Period | Total Bids (N 'Million) | Amount Sold (N 'Million) | Average Tenor (Days) | Average Yield (%) |
|---|---|---|---|---|
| **2010** | | | | |
| **January** | 0.00 | 0.00 | 0 | 0.00 |
| **February** | 0.00 | 0.00 | 0 | 0.00 |
| **March** | 0.00 | 0.00 | 0 | 0.00 |
| **April** | 280,500.00 | 120,000.00 | 186 | 2.40 |
| **May** | 116,942.00 | 40,000.00 | 130 | 2.40 |
| **June** | 200.00 | 2,000.00 | 44 | 1.20 |
| **July** | 0.00 | 0.00 | 0 | 0.00 |
| **August** | 0.00 | 0.00 | 0 | 0.00 |
| **September** | 70,250.00 | 24,000.00 | 79 | 5.10 |
| **October** | 2,000.00 | 2,000.00 | 181 | 8.60 |
| **November** | 47,250.00 | 29,500.00 | 240 | 10.00 |
| **December** | 99,181.00 | 53,250.00 | 148 | 7.40 |
| **Total** | **616,323.00** | **270,750.00** | | |
| **Average** | **51,360.25** | **22,562.50** | **84** | **3.09** |
| **2011** | | | | |
| **January** | 255,940.00 | 140,540.00 | 176 | 8.30 |
| **February** | 0.00 | 0.00 | 0 | 0.00 |
| **March** | 170,490.00 | 94,530.00 | 33 | 7.03 |
| **April** | 142,520.00 | 23,390.00 | 37 | 9.17 |
| **May** | 119,340.00 | 48,610.00 | 150 | 9.25 |
| **June** | 80,450.00 | 25,470.00 | 157 | 9.25 |
| **July** | 227,410.00 | 97,810.00 | 258 | 7.85 |
| **August** | 590,150.00 | 344,670.00 | 207 | 8.30 |
| **September** | 327,020.00 | 170,990.00 | 43 | 10.50 |
| **October** | 830,466.00 | 643,620.00 | 176 | 14.25 |
| **November** | 811,600.00 | 343,670.00 | 132 | 15.20 |
| **December** | 806,920.00 | 428,810.00 | 184 | 16.32 |
| **Total** | **4,362,306.00** | **2,362,110.00** | | |
| **Average** | **363,525.50** | **196,842.50** | **129** | **9.62** |
| **2012** | | | | |
| **January** | 799,840.0 | 246,660.0 | 173 | 16.36 |
| **February** | 1,124,220.0 | 297,000.0 | 238 | 15.89 |
| **March** | 1,150,240.0 | 491,600.0 | 297 | 15.27 |
| **April** | 973,640.0 | 304,180.0 | 289 | 14.57 |
| **May** | 956,240.0 | 363,130.0 | 69 | 13.99 |
| **June** | 48,220.0 | 14,110.0 | 62 | 14.50 |
| **July** | 17,320.0 | 50.0 | 48 | 14.10 |
| **August** | 137,790.0 | 4,500.0 | 69 | 14.00 |
| **September** | 714,000.0 | 318,420.0 | 64 | 14.25 |
| **October** | 1,330,810.0 | 882,800.0 | 75 | 14.03 |
| **November** | 1,525,360.0 | 939,540.0 | 90 | 13.77 |
| **December** | 952,950.0 | 650,270.0 | 112 | 13.40 |
| **Total** | **9,730,630.00** | **4,512,260.00** | | |
| **Average** | **810,885.83** | **376,021.67** | **132** | **14.51** |
| **2013** | | | | |
| **January** | 2,958,460.00 | 1,756,660.00 | 77 | 13.73 |
| **February** | 2,302,710.00 | 1,351,600.00 | 105 | 12.54 |
| **March** | 2,061,290.00 | 1,265,240.00 | 118 | 13.30 |
| **April** | 2,228,780.00 | 1,516,690.00 | 169 | 13.55 |
| **May** | 1,476,320.00 | 1,127,400.00 | 159 | 13.22 |
| **June** | 505,190.00 | 81,950.00 | 156 | 14.09 |
| **July** | 1,078,590.00 | 508,740.00 | 161 | 14.02 |
| **August** | 96,480.00 | 91,730.00 | 132 | 13.37 |
| **September** | 337,350.00 | 150,510.00 | 141 | 13.41 |
| **October** | 1,956,950.00 | 1,206,860.00 | 127 | 12.80 |
| **November** | 1,109,670.00 | 791,090.00 | 102 | 12.52 |
| **December** | 797,960.00 | 599,470.00 | 125 | 12.51 |
| **Total** | **16,909,750.00** | **10,447,940.00** | | |
| **Average** | **1,409,145.83** | **870,661.67** | **131** | **13.25** |
| **2014 /1** | | | | |
| **January** | 1,778,090.00 | 1,091,490.00 | 115 | 12.58 |
| **February** | 587,840.00 | 307,400.00 | 129 | 13.74 |
| **March** | 933,680.00 | 714,580.00 | 133 | 13.76 |
| **April** | 424,070.00 | 285,940.00 | 122 | 13.70 |
| **May** | 1,476,730.00 | 905,990.00 | 116 | 11.40 |
| **June** | 1,351,000.00 | 1,179,540.00 | 122 | 11.20 |
| **July** | 812,920.00 | 810,920.00 | 129 | 11.23 |
| **August** | 654,530.00 | 654,530.00 | 133 | 11.24 |
| **September** | 1,096,870.00 | 989,580.00 | 141 | 11.36 |
| **October** | 963,870.00 | 652,500.00 | 158 | 11.55 |
| **November** | 1,010,680.00 | 830,230.00 | 163 | 13.80 |
| **December** | 236,920.00 | - | 137 | |
| **Total** | **11,327,200.00** | **8,422,700.00** | | |
| **Average** | **943,933.33** | **701,891.67** | **133** | **12.32** |

/1 Provisional
Source: Central Bank of Nigeria

## Table 16
## Transactions on the Nigerian Stock Exchange

| Items | 2010 | 2011 | 2012 | 2013 | 2014 /1 |
|---|---|---|---|---|---|
| **Volume of Stocks ('000)** | | | | | |
| Government | 11.00 | 0.00 | 7.41 | 342.35 | 282.96 |
| Industrial | 0.00 | 6.71 | 0.00 | 0.00 | 0.00 |
| Second-Tier Securities | 1,369,489.40 | 284,732.96 | 4,827.16 | 51,549.94 | 0.00 |
| Bonds | 2.00 | 0.00 | 11.00 | 18.90 | 0.00 |
| Equities | 92,317,994.32 | 90,442,020.83 | 104,244,687.72 | 267,336,933.23 | 108,328,358.88 |
| **Total** | **93,687,496.72** | **90,726,760.50** | **104,249,747.89** | **267,388,844.42** | **108,328,641.84** |
| | | | | | |
| **Number of Deals** | | | | | |
| Government | 5 | 0 | 44 | 1,155 | 200 |
| Industrial | 0 | 33 | 0 | 0 | 0 |
| Second-Tier Securities | 1,182 | 253 | 196 | 924 | 0 |
| Bonds | 2 | 0 | 2 | 82 | 0 |
| Equities | 1,924,125 | 1,235,181 | 1,146,932 | 3,222,478 | 1,211,069 |
| **Total** | **1,925,314** | **1,235,467** | **1,147,174** | **3,224,639** | **1,211,269** |
| | | | | | |
| **Value of Stocks (N' Million)** | | | | | |
| Government | 14.14 | 0.00 | 7.19 | 292.34 | 306.99 |
| Industrial | 0.00 | 17.12 | 0.00 | 0.00 | 0.00 |
| Second-Tier Securities | 702.53 | 154.67 | 4.64 | 61.14 | 0.00 |
| Bonds | 0.00 | 0.00 | 1.05 | 23.06 | 0.00 |
| Equities | 799,194.30 | 638,753.91 | 808,420.62 | 2,350,499.16 | 1,334,476.14 |
| **Total** | **799,910.95** | **638,925.70** | **808,991.42** | **2,350,875.70** | **1,334,783.13** |
| | | | | | |
| **Market Capitalization (N' Million)** | **9,918,218.71** | **10,275,344.76** | **14,800,944.40** | **19,077,418.18** | **16,875,102.70** |
| | | | | | |
| **Value Index of Equities (1984 = 100)** | **24,770.52** | **20,730.63** | **28,078.81** | **41,329.19** | **34,657.15** |

/1 Provisional
Source: Central Bank of Nigeria

# Table 17
## Market Capitalisation of Quoted Companies: Equities
## (Naira Thousand)

| CATEGORY | 2010 | 2011 | 2012 | 2013 | 2014 /1 |
|---|---|---|---|---|---|
| **AGRICULTURE** | **17,331,955.6** | **22,162,860.1** | **40,609,786.7** | **90,683,237.5** | **54,852,817.2** |
| **FINANCIAL** | **2,885,224,164.1** | **2,013,252,151.8** | **3,048,916,817.5** | **3,992,616,108.9** | **3,215,785,938.9** |
| Banking | 2,710,167,833.0 | 1,839,313,950.9 | 2,251,306,558.2 | 2,939,978,141.8 | 2,366,953,726.0 |
| Managed Funds | | 0.0 | 0.0 | 0.0 | 0.0 |
| Insurance | 147,896,811.9 | 140,982,339.4 | 142,403,695.5 | 173,111,364.9 | 158,686,954.3 |
| Other Financial Institutions | 12,718,530.3 | 12,074,171.0 | 635,541,873.2 | 850,070,935.5 | 661,696,114.7 |
| Real Estate Investment Trust | 14,440,989.1 | Re-classified | Re-classified | Re-classified | Re-classified |
| Mortgage | 23,154,065.5 | 20,881,690.5 | 19,664,690.5 | 29,455,666.7 | 28,449,143.9 |
| **MANUFACTURING/CONSUMER GOODS** | **3,935,471,347.6** | **2,001,395,869.1** | **2,857,577,046.8** | **3,758,912,594.9** | **3,112,978,314.3** |
| Breweries | 881,806,021.9 | 1,100,737,056.1 | 1,575,787,255.9 | 1,737,545,456.6 | 1,634,984,422.5 |
| Building Materials | 2,063,168,046.6 | Re-classified | Re-classified | Re-classified | Re-classified |
| Chemical & Paints | 21,507,491.5 | Re-classified | Re-classified | Re-classified | Re-classified |
| Food, Beverages & Tobacco | 880,718,117.1 | 663,727,747.3 | 985,534,262.4 | 1,661,498,971.0 | 1,239,720,223.3 |
| Industrial and Domestic Products | 17,484,154.2 | Re-classified | Re-classified | Re-classified | Re-classified |
| Packaging | 28,712,726.8 | Re-classified | Re-classified | Re-classified | Re-classified |
| Healthcare | 41,442,326.5 | Re-classified | Re-classified | Re-classified | Re-classified |
| Textiles | 632,462.9 | 0.0 | 0.0 | 0.0 | 0.0 |
| Automobile & Tyres | | 2,386,334.6 | 2,386,334.6 | 2,386,334.6 | 2,386,334.6 |
| Household Durables | | 13,655,782.5 | 6,772,561.0 | 7,032,843.7 | 5,947,974.5 |
| Household Products | | 220,888,948.5 | 287,096,632.9 | 350,448,988.9 | 229,939,359.4 |
| **HEALTHCARE** | | **33,677,670.4** | **54,298,997.9** | **80,495,363.7** | **62,660,093.6** |
| **CONGLOMERATES** | | **64,089,327.4** | **106,881,865.3** | **308,527,707.1** | **200,892,189.1** |
| **COMMERCIALS** | **637,025,809.0** | **0.0** | **0.0** | **0.0** | 0.0 |
| Automobile & Tyres | 4,755,379.4 | Re-classified | Re-classified | Re-classified | Re-classified |
| Conglomerates | 294,157,765.4 | Re-classified | Re-classified | Re-classified | Re-classified |
| Commercial / Services | 14,613,343.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Computer & Office Equipments | 4,698,426.8 | Re-classified | Re-classified | Re-classified | Re-classified |
| Footwear | 244,170.9 | 0.0 | 0.0 | 0.0 | 0.0 |
| Machinery (Marketing) | 1,290.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| Petroleum (Marketing) | 318,555,432.9 | 0.0 | 0.0 | 0.0 | 0.0 |
| **CONSTRUCTION/REAL ESTATE** | | **129,352,427.9** | **130,365,895.4** | **210,268,356.5** | **158,741,751.6** |
| **INDUSTRIAL GOODS** | | **1,912,341,706.0** | **2,459,194,855.3** | **4,198,484,130.3** | **3,769,305,572.4** |
| **NATURAL RESOURCES** | | **8,326,882.1** | **7,784,836.5** | **7,990,028.5** | **7,452,662.8** |
| **OIL &GAS** | | **217,464,195.0** | **147,524,965.5** | **446,213,032.1** | **752,024,717.5** |
| **SERVICES** | **231,900,469.7** | **68,511,321.3** | **56,880,832.7** | **54,803,536.2** | **66,416,361.2** |
| Construction | 92,633,786.8 | Re-classified | Re-classified | Re-classified | Re-classified |
| Real Estate | 22,701,249.9 | Re-classified | Re-classified | Re-classified | Re-classified |
| Advertising | | 2,017,748.6 | 2,219,523.5 | 2,219,523.5 | 2,219,523.5 |
| Apparel Retailers | | 244,170.9 | 244,170.9 | 232,243.0 | 221,016.8 |
| Engineering Technology | 3,298,759.9 | 0.0 | 0.0 | 0.0 | 0.0 |
| Airline Services | 13,641,261.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| Printing & Publishing | 10,187,738.3 | 5,865,418.5 | 5,802,511.6 | 6,107,360.2 | 4,824,962.7 |
| Hotel,Hospitality & Tourism | 17,291,774.9 | 38,013,335.4 | 23,156,063.4 | 19,439,689.0 | 23,811,134.6 |
| Automobile and Auto Part s Retailers | | 1,195,959.2 | 1,788,062.5 | 1,729,244.6 | 905,794.8 |
| Maritime | 8,767,782.4 | 0.0 | 0.0 | 0.0 | 0.0 |
| Aviation | 1,740,000.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Road Transport | 798,710.0 | 753,500.0 | 753,500.0 | 1,235,740.0 | 911,735.0 |
| Courier/Freight/Delivery | | 2,094,825.4 | 2,321,209.2 | 2,838,194.8 | 2,567,165.5 |
| Employment Solutions | | 1,186,175.9 | 941,409.5 | 941,409.5 | 941,409.5 |
| Speciality | | 5,439,797.9 | 5,045,590.3 | 4,876,644.1 | 3,918,789.8 |
| Leasing | 2,474,025.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| Information, Communications & Telecommunications | 52,105,502.3 | Re-classified | Re-classified | Re-classified | Re-classified |
| Media | 6,259,878.5 | 4,000,000.0 | 4,000,000.0 | 4,000,000.0 | 6,000,000.0 |
| Transport Related Services | | 7,700,389.4 | 10,608,791.9 | 11,183,487.5 | 8,401,550.0 |
| **ICT** | | **62,009,178.3** | **64,412,619.5** | **77,250,803.8** | **76,550,755.9** |
| **ETFS** | | **988,000.0** | **1,012,800.0** | **280,050.0** | **4,520,358.0** |
| **ASeM** | | **4,072,137.0** | **4,005,592.1** | **4,005,980.4** | **8,572,994.3** |
| Support and Logistics | 0.0 | 0.0 | 0.0 | 0.0 | 11,693,279.0 |
| The Foreign Listing | 188,356,567.6 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Total** | **7,913,752,224.6** | **6,537,643,726.3** | **8,979,466,911.2** | **13,230,530,929.8** | **11,490,754,526.8** |

/1 Provisional
Source: Nigerian Stock Exchange

## Table 18
## Value Index of All Common Stocks Listed by Sector on the Nigerian Stock Exchange
## (1984 =100)

| Category | 2010 | 2011 | 2012 | 2013 | 2014 /1 | Growth Rate (%) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | 2010 | 2011 | 2012 | 2013 | 2014 /1 |
| **A G R I C U L T U R E** | **54.3** | **70.3** | **127.0** | **283.3** | **165.6** | **-34.6** | **29.4** | **80.7** | **123.1** | **-41.5** |
| **F I N A N C I A L** | **9,039.7** | **6,383.9** | **9,534.0** | **12,472.0** | **9,710.2** | **-11.8** | **-29.4** | **49.3** | **30.8** | **-22.1** |
| Banking | 8,491.3 | 5,832.4 | 7,039.8 | 9,183.8 | 7,147.1 | -9.1 | -31.3 | 20.7 | 30.5 | -22.2 |
| Managed Funds/ Microfinance Banks | | 0.0 | 0.0 | 0.0 | 0.0 | | | | | |
| Insurance | 463.4 | 447.0 | 445.3 | 540.8 | 479.2 | -44.9 | -3.5 | -0.4 | 21.4 | -11.4 |
| Other Financial Institutions | 39.8 | 38.3 | 1,987.3 | 2,655.4 | 1,998.0 | -29.7 | -3.9 | 5,090.7 | 33.6 | -24.8 |
| Real Estate Investment Trust | 45.2 | Re-classified | Re-classified | Re-classified | Re-classified | 442.0 | | | | |
| Mortgage | 72.5 | 66.2 | 61.5 | 92.0 | 85.9 | -30.1 | -8.7 | -7.1 | 49.6 | -6.6 |
| **M A N U F A C T U R I N G** | **12,330.3** | **6,346.4** | **8,935.6** | **11,742.0** | **9,399.7** | **85.6** | **-48.5** | **40.8** | **31.4** | **-19.9** |
| Breweries | 2,762.8 | 3,490.4 | 4,927.5 | 5,427.7 | 4,936.9 | 10.5 | 26.3 | 41.2 | 10.2 | -9.0 |
| Building Materials | 6,464.1 | Re-classified | Re-classified | Re-classified | Re-classified | 416.0 | | | | |
| Chemical & Paints | 67.4 | Re-classified | Re-classified | Re-classified | Re-classified | 8.1 | | | | |
| Food, Beverages & Tobacco | 2,759.4 | 2,104.7 | 3,081.8 | 5,190.1 | 3,743.4 | 11.2 | -23.7 | 46.4 | 68.4 | -27.9 |
| Industrial and Domestic Products | 54.8 | Re-classified | Re-classified | Re-classified | Re-classified | -33.3 | | | | |
| Packaging | 90.0 | Re-classified | Re-classified | Re-classified | Re-classified | -14.5 | | | | |
| Healthcare | 129.8 | Re-classified | Re-classified | Re-classified | Re-classified | -13.9 | | | | |
| Textiles | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 | -70.4 | -100.0 | | | |
| Automobile & Tyres | | 7.6 | 7.5 | 7.5 | 7.2 | | | -1.4 | -0.1 | -3.3 |
| Household Durables | | 43.3 | 21.2 | 22.0 | 18.0 | | | -51.1 | 3.7 | -18.2 |
| Household Products | | 700.4 | 897.8 | 1,094.7 | 694.3 | | | 28.2 | 21.9 | -36.6 |
| **HEALTHCARE** | | **106.8** | **169.8** | **251.4** | **189.2** | | | **59.0** | **48.1** | **-24.8** |
| **CONGLOMERATES** | | **203.2** | **334.2** | **963.8** | **606.6** | | | **64.5** | **188.4** | **-37.1** |
| **C O M M E R C I A L S** | **1,995.9** | **0.0** | **0.0** | **0.0** | **0.0** | **-9.5** | **-100.0** | | | |
| Automobile & Tyres | 14.9 | Re-classified | Re-classified | Re-classified | Re-classified | -55.5 | | | | |
| Conglomerates | 921.6 | Re-classified | Re-classified | Re-classified | Re-classified | -5.4 | | | | |
| Commercial / Services | 45.8 | 0.0 | 0.0 | 0.0 | 0.0 | -61.0 | -100.0 | | | |
| Computer & Office Equipments | 14.7 | Re-classified | Re-classified | Re-classified | Re-classified | -37.5 | | | | |
| Footwear | 0.8 | 0.0 | 0.0 | 0.0 | 0.0 | -38.7 | -100.0 | | | |
| Machinery (Marketing) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -24.9 | -100.0 | | | |
| Petroleum (Marketing) | 998.1 | 0.0 | 0.0 | 0.0 | 0.0 | -5.4 | -100.0 | | | |
| **CONSTRUCTION/REAL ESTATE** | | **410.2** | **407.7** | **656.8** | **479.3** | | | **-0.6** | **61.1** | **-27.0** |
| **INDUSTRIAL GOODS** | | **6,064.0** | **7,689.9** | **13,115.1** | **11,381.5** | | | **26.8** | **70.5** | **-13.2** |
| **NATURAL RESOURCES** | | **26.4** | **24.3** | **25.0** | **22.5** | | | **-7.8** | **2.5** | **-9.8** |
| **OIL &GAS** | | **689.6** | **461.3** | **1,393.9** | **2,270.8** | | | **-33.1** | **202.2** | **62.9** |
| **S E R V I C E S** | **726.6** | **217.2** | **177.9** | **171.2** | **200.5** | **-14.8** | **-70.1** | **-18.1** | **-3.8** | **17.1** |
| Construction | 290.2 | Re-classified | Re-classified | Re-classified | Re-classified | 15.3 | | | | |
| Real Estate | 71.1 | Re-classified | Re-classified | Re-classified | Re-classified | -22.0 | | | | |
| Advertising | | 6.4 | 6.9 | 6.9 | 6.7 | | | 8.5 | -0.1 | -3.3 |
| Apparel Retailers | | 0.8 | 0.8 | 0.7 | 0.7 | | | -1.4 | -5.0 | -8.0 |
| Engineering Technology | 10.3 | 0.0 | 0.0 | 0.0 | 0.0 | 14.5 | -100.0 | | | |
| Airline Services | 42.7 | 0.0 | 0.0 | 0.0 | 0.0 | -2.6 | -100.0 | | | |
| Printing & Publishing | 31.9 | 18.6 | 18.1 | 19.1 | 14.6 | -27.0 | -41.7 | -2.4 | 5.1 | -23.6 |
| Hotel, Hospitality and Tourism | 54.2 | 120.5 | 72.4 | 60.7 | 71.9 | 30.4 | 122.5 | -39.9 | -16.1 | 18.4 |
| Automobile and Auto Part s Retailers | | 3.8 | 5.6 | 5.4 | 2.7 | | | 47.4 | -3.4 | -49.4 |
| Maritime | 27.5 | 0.0 | 0.0 | 0.0 | 0.0 | -7.0 | -100.0 | | | |
| Aviation | 5.5 | 0.0 | 0.0 | 0.0 | 0.0 | -24.9 | -100.0 | | | |
| Road Transport | 2.5 | 2.4 | 2.4 | 3.9 | 2.8 | -47.7 | -4.5 | -1.4 | 63.8 | -28.7 |
| Courier/Freight/Delivery | | 6.6 | 7.3 | 8.9 | 7.8 | | | 9.3 | 22.1 | -12.6 |
| Employment Solutions | | 3.8 | 2.9 | 2.9 | 2.8 | | | -21.7 | -0.1 | -3.3 |
| Speciality | | 17.2 | 15.8 | 15.2 | 11.8 | | | -8.5 | -3.4 | -22.3 |
| Leasing | 7.8 | 0.0 | 0.0 | 0.0 | 0.0 | -55.4 | -100.0 | | | |
| Information, Communications & Telecommunications | 163.3 | Re-classified | Re-classified | Re-classified | Re-classified | -41.8 | | | | |
| Media | 19.6 | 12.7 | 12.5 | 12.5 | 18.1 | -39.0 | -35.3 | -1.4 | -0.1 | 45.0 |
| Transport Related Services | | 24.4 | 33.2 | 34.9 | 25.4 | | | 35.9 | 5.3 | -27.4 |
| **ICT** | | **196.6** | **201.4** | **241.3** | **231.1** | | | **2.4** | **19.8** | **-4.2** |
| **ETFs** | | **3.1** | **3.2** | **0.9** | **13.6** | | | **1.1** | **-72.4** | **1,460.3** |
| **ASeM** | | **12.9** | **12.5** | **12.5** | **25.9** | | | **-3.0** | **-0.1** | **106.9** |
| **Support and Logistics** | | | | | **35.3** | | | | | |
| **The Foreign Listing** | **590.1** | **0.0** | **0.0** | **0.0** | **0.0** | **-13.7** | **-100.0** | | | |
| **Total** | **24,770.5** | **20,730.6** | **28,078.8** | **41,329.2** | **34,696.7** | **18.9** | **-16.3** | **35.4** | **47.2** | **-16.0** |

/1 Revised
Source: Central Bank of Nigeria

## Table 19
## Federation Accounts Operations
## (Naira Billion)

| | 2010 | 2011 | 2012 1/ | 2013 | 2014 1/ |
|---|---|---|---|---|---|
| **Total Revenue(Gross) 2/** | **7,303.7** | **11,116.9** | **10,654.7** | **9,759.8** | **10,068.9** |
| **Oil Revenue (Gross)** | **5,396.1** | **8,879.0** | **8,026.0** | **6,809.2** | **6,793.8** |
| Crude Oil / Gas Exports | 1,696.2 | 2,287.9 | 1,780.9 | 1,559.0 | 1,896.2 |
| PPT and Royalties etc. | 1,944.7 | 3,976.3 | 4,365.4 | 3,719.0 | 3,439.6 |
| Domestic Crude Oil Sales | 1,746.3 | 2,608.8 | 1,874.2 | 1,510.3 | 1,370.6 |
| Other Oil Revenue | 8.8 | 6.0 | 5.5 | 21.0 | 87.4 |
| **Less:** | | | | | |
| Deductions 3/ | 2,393.7 | 4,863.6 | 3,843.7 | 2,078.2 | 2,109.2 |
| **Oil Revenue (Net)** | **3,002.4** | **4,015.4** | **4,182.3** | **4,731.0** | **4,684.6** |
| **Non- Oil Revenue** | **1,907.6** | **2,237.9** | **2,628.8** | **2,950.6** | **3,275.0** |
| Corporate Tax | 657.3 | 700.5 | 848.6 | 985.5 | 1,207.3 |
| Customs & Excise Duties | 309.2 | 438.3 | 474.9 | 433.6 | 566.2 |
| Value-Added Tax (VAT) | 562.9 | 649.5 | 710.2 | 795.6 | 794.2 |
| FG Independent Revenue | 153.6 | 182.5 | 206.8 | 274.4 | 295.3 |
| Education Tax | 114.5 | 101.7 | 214.6 | 281.0 | 193.1 |
| Customs Special Levies (Federation Account) | 103.4 | 156.8 | 161.5 | 170.8 | 89.1 |
| National Information Technology Development Fund (NITDF) | 6.8 | 8.6 | 12.3 | 9.8 | 10.1 |
| Customs Special Levies (Non-Federation Account) | - | - | - | - | 119.7 |
| **Less:** | | | | | |
| Deductions 3/ | 125.5 | 94.9 | 245.8 | 193.2 | 419.3 |
| **Non- Oil Revenue (Net)** | **1,782.0** | **2,143.0** | **2,383.0** | **2,757.3** | **2,855.7** |
| **Federally - collected revenue + Transfers** | **4,784.5** | **6,158.4** | **6,565.2** | **7,488.3** | **7,540.3** |
| **Less** | **918.6** | **1,073.1** | **1,276.9** | **1,499.6** | **1,350.0** |
| Transfer to Federal Govt. Ind. Revenue | 153.6 | 182.5 | 206.8 | 274.4 | 295.3 |
| Transfer to VAT Pool Account | 540.3 | 623.5 | 681.7 | 763.8 | 762.4 |
| Other Transfers 4/ | 224.7 | 267.1 | 388.4 | 461.5 | 412.0 |
| **Federally Collected Revenue (Net)** | **3,865.9** | **5,085.4** | **5,288.4** | **5,988.7** | **6,070.5** |
| **Memorandum Items:** | | | | | |
| **Deductions:** | **2,519.2** | **4,958.5** | **4,089.5** | **2,271.5** | **2,528.5** |
| **Oil Revenue** | **2,393.7** | **4,863.6** | **3,843.7** | **2,078.2** | **2,109.2** |
| JVC Cash calls | 962.9 | 1,008.8 | 1,132.6 | 1,030.9 | 1,223.7 |
| Excess Crude Proceeds | 615.8 | 1,226.2 | 2,420.0 | 50.6 | 216.0 |
| Excess PPT & Royalty | 179.3 | 1,812.2 | - | 960.8 | 579.3 |
| Others | 635.7 | 816.4 | 291.1 | 36.0 | 90.2 |
| **Non -oil Revenue** | **125.5** | **94.9** | **245.8** | **193.2** | **419.3** |
| 4% FIRS collection cost | 26.3 | 28.7 | 33.9 | 39.4 | 39.6 |
| 7% NCS collection cost | 21.6 | 29.5 | 33.2 | 30.4 | 48.1 |
| Cost of collection for VAT | 22.5 | 26.0 | 28.4 | 31.8 | 31.8 |
| Others 5/ | 55.1 | 10.7 | 150.2 | 91.6 | 299.8 |

1/ Provisional
2/ Includes other receipts from Education Tax, FGN Independent Revenue and Levies
3/ As contained in memorandum items
4/ Includes Education Tax and Custom Levies
5/ Includes excess non-oil Revenue
Source: Federal Ministry of Finance

## Table 20
## Federally-collected Revenue Distributions
## (Naira Billion)

| | 2010 | 2011 | 2012 | 2013 | 2014 1/ |
|---|---|---|---|---|---|
| **Federally Collected Revenue (Net)** | **3,865.9** | **5,085.4** | **5,288.4** | **5,988.7** | **6,070.5** |
| Add | | | | | |
| **Other Revenue** | **1,365.3** | **1,856.5** | **1,923.6** | **1,763.5** | **891.4** |
| Excess Crude | 886.5 | 450.0 | 387.7 | 464.2 | 76.0 |
| Share of Budgtary Difference | 0.00 | 873.6 | 0.00 | 0.00 | 0.00 |
| NNPC Refund (incl. additional NNPC Distribution) | 0.00 | 0.00 | 91.4 | 91.4 | 135.1 |
| Recovery of Understated Revenue | 0.00 | 0.00 | 373.9 | 0.00 | 0.00 |
| Excess Non-Oil Revenue | 0.00 | 0.00 | 150.0 | 0.00 | 230.7 |
| Revenue Augmentation | 439.0 | 502.4 | 560.4 | 781.3 | 0.00 |
| Exchange Rate Gain (incl. add. Distr. To states and LGCs) | 39.9 | 30.5 | 75.8 | 0.00 | 23.0 |
| SURE-P | 0.00 | 0.00 | 284.4 | 426.6 | 426.6 |
| **Total Revenue** | **5,231.2** | **6,941.8** | **7,212.0** | **7,752.2** | **6,961.9** |
| | | | | | |
| **Distributed as Follows** | | | | | |
| **Statutory Allocation** | **3,865.9** | **5,085.4** | **5,288.3** | **5,988.7** | **6,070.5** |
| Federal Government | 1,830.9 | 2,403.9 | 2,499.5 | 2,830.8 | 2,877.1 |
| State Government | 928.7 | 1,219.3 | 1,267.8 | 1,435.8 | 1,459.3 |
| Local Government | 716.0 | 940.0 | 977.4 | 1,107.0 | 1,125.1 |
| 13% Derivation | 390.3 | 522.0 | 543.7 | 615.0 | 609.0 |
| **Excess Crude** | **886.5** | **450.0** | **387.7** | **464.2** | **76.0** |
| Federal Government | 405.0 | 206.2 | 177.7 | 212.7 | 34.8 |
| State Government | 225.6 | 104.6 | 90.1 | 107.9 | 17.7 |
| Local Government | 159.9 | 80.6 | 69.5 | 83.2 | 13.6 |
| 13% Derivation | 96.0 | 58.5 | 50.4 | 60.3 | 9.9 |
| **Share of Diff.Btw. Provisional Distribution and Actual Budget** | **0.00** | **873.61** | **0.00** | **0.00** | **0.00** |
| Federal Government | 0.00 | 400.4 | 0.00 | 0.00 | 0.00 |
| State Government | 0.00 | 203.1 | 0.00 | 0.00 | 0.00 |
| Local Government | 0.00 | 156.6 | 0.00 | 0.00 | 0.00 |
| 13% Derivation | 0.00 | 113.6 | 0.00 | 0.00 | 0.00 |
| **NNPC Refunds (incl. NNPC additional Distribution.)** | **0.00** | **0.00** | **91.4** | **91.4** | **135.1** |
| Federal Government | 0.00 | 0.00 | 0.00 | 0.00 | 58.2 |
| State Government | 0.00 | 0.00 | 44.9 | 44.9 | 34.9 |
| Local Government | 0.00 | 0.00 | 34.6 | 34.6 | 26.9 |
| 13% Derivation | 0.00 | 0.00 | 11.9 | 11.9 | 15.1 |
| **Recovery of Understated Revenue** | **0.00** | **0.00** | **373.9** | **0.00** | **0.00** |
| Federal Government | 0.00 | 0.00 | 171.4 | 0.00 | 0.00 |
| State Government | 0.00 | 0.00 | 86.9 | 0.00 | 0.00 |
| Local Government | 0.00 | 0.00 | 67.0 | 0.00 | 0.00 |
| 13% Derivation | 0.00 | 0.00 | 48.6 | 0.00 | 0.00 |
| **Share of Excess Non-Oil Revenue** | **0.00** | **0.00** | **150.0** | **0.00** | **230.7** |
| Federal Government | 0.00 | 0.00 | 79.0 | 0.00 | 121.5 |
| State Government | 0.00 | 0.00 | 40.1 | 0.00 | 61.7 |
| Local Government | 0.00 | 0.00 | 30.9 | 0.00 | 47.5 |
| 13% Derivation | 0.00 | 0.00 | - | 0.00 | 0.00 |
| **Federation Revenue Augmentation 2/** | **439.0** | **502.4** | **560.4** | **781.3** | 0.00 |
| Federal Government | 201.2 | 230.3 | 256.8 | 358.1 | 0.00 |
| State Government | 102.0 | 116.8 | 130.3 | 181.6 | 0.00 |
| Local Government | 78.7 | 90.0 | 100.4 | 140.0 | 0.00 |
| 13% Derivation | 57.1 | 65.3 | 72.9 | 101.6 | 0.00 |
| **SURE-P** | **0.00** | **0.00** | **284.4** | **426.6** | **426.6** |
| Federal Government | 0.00 | 0.00 | 130.3 | 195.5 | 195.5 |
| State Government | 0.00 | 0.00 | 66.1 | 99.2 | 99.2 |
| Local Government | 0.00 | 0.00 | 51.0 | 76.5 | 76.5 |
| 13% Derivation | 0.00 | 0.00 | 37.0 | 55.5 | 55.5 |
| **Exchange Rate Gain (incl. add. Distr. To states and LGCs)** | **39.9** | **30.5** | **75.8** | **0.00** | **23.0** |
| Federal Government | 18.3 | 0.00 | 34.7 | 0.00 | 2.8 |
| State Government | 9.3 | 15.0 | 17.6 | 0.00 | 8.7 |
| Local Government | 7.1 | 11.5 | 13.6 | 0.00 | 6.7 |
| 13% Derivation | 5.2 | 4.0 | 9.9 | 0.00 | 4.8 |
| **Total Statutory Revenue Distribution** | **5,231.2** | **6,941.8** | **7,212.0** | **7,752.2** | **6,961.9** |
| Federal Government | 2,455.4 | 3,240.8 | 3,349.5 | 3,597.2 | 3,290.0 |
| State Government | 1,265.5 | 1,658.8 | 1,743.7 | 1,869.4 | 1,681.5 |
| Local Government | 961.7 | 1,278.8 | 1,344.4 | 1,441.3 | 1,296.2 |
| 13% Derivation | 548.5 | 763.4 | 774.3 | 844.3 | 694.2 |
| **VAT POOL** | **540.3** | **623.5** | **681.7** | **763.8** | **762.5** |
| Federal Government | 81.1 | 93.5 | 102.3 | 114.6 | 114.4 |
| State Government | 270.2 | 311.8 | 340.9 | 381.9 | 381.2 |
| Local Government | 189.1 | 218.2 | 238.6 | 267.3 | 266.9 |
| **Total Statutory Revenue and VAT Distribution** | **5,771.5** | **7,565.3** | **7,893.7** | **8,515.9** | **7,724.4** |
| Federal Government | 2,536.5 | 3,334.4 | 3,451.8 | 3,711.7 | 3,404.4 |
| State Government | 1,535.7 | 1,970.5 | 2,084.6 | 2,251.3 | 2,062.7 |
| Local Government | 1,150.8 | 1,497.1 | 1,583.0 | 1,708.6 | 1,563.1 |
| 13% Derivation | 548.5 | 763.4 | 774.3 | 844.3 | 694.2 |

1/ Provisional
Source: Federal Ministry of Finance and Central Bank of Nigeria

## Table 21
## Summary of General Government Finances
## (Naira Billion)

| | 2010 | 2011 | 2012 | 2013 | 2014 1/ |
|---|---|---|---|---|---|
| Total Revenue (Gross) 2/ | 10,375.8 | 13,779.1 | 13,256.7 | 12,214.8 | 11,585.2 |
| Oil Revenue (Gross) | 5,396.1 | 8,879.0 | 8,026.0 | 6,809.2 | 6,793.8 |
| Less: | | | | | |
| Deductions | 2,393.7 | 4,863.6 | 3,843.7 | 2,078.2 | 2,109.2 |
| Oil Revenue (Net) | 3,002.4 | 4,015.4 | 4,182.3 | 4,731.0 | 4,684.6 |
| Add: | | | | | |
| Revenue Augmentation from Excess Crude | 1,334.8 | 1,856.4 | 1,773.6 | 1,763.5 | 660.7 |
| Revenue from Oil Sources | 4,337.2 | 5,871.8 | 5,955.9 | 6,494.5 | 5,345.3 |
| Non-Oil Revenue (Gross) 2/ | 1,907.6 | 2,237.9 | 2,628.8 | 2,950.6 | 3,275.0 |
| of which: VAT | 562.9 | 649.5 | 710.2 | 795.6 | 794.2 |
| International Trade Taxes | 309.2 | 438.3 | 474.9 | 433.6 | 566.2 |
| Corporate Tax | 657.3 | 700.5 | 848.6 | 985.5 | 1,207.3 |
| FGN Independent Revenue | 153.6 | 182.5 | 206.8 | 274.4 | 295.3 |
| Less: | | | | | |
| Deductions | 125.5 | 94.9 | 245.8 | 193.2 | 419.3 |
| Non-Oil Revenue (Net) | 1,782.1 | 2,143.0 | 2,383.0 | 2,757.3 | 2,855.7 |
| Add: | | | | | |
| SG Internally-Generated Revenue 3/ | 757.9 | 495.3 | 543.4 | 657.0 | 801.3 |
| LG Internally-Generated Revenue 4/ | 27.2 | 41.3 | 26.6 | 29.3 | 36.5 |
| Non-oil excess revenue | | | 150.0 | - | 230.7 |
| Grants & Others | 352.8 | 165.3 | 131.6 | 5.2 | 17.8 |
| Revenue from Non-Oil Sources | 2,920.0 | 2,844.9 | 3,234.6 | 3,448.8 | 3,942.1 |
| Add: | | | | | |
| Balances in FG Special Accounts for the Previous Year $ Others | 599.4 | 103.9 | 126.8 | 0.00 | 0.00 |
| Total Collected Revenue (Net) | 7,856.6 | 8,820.6 | 9,317.2 | 9,943.3 | 9,287.3 |
| Transfers: | | | | | |
| Education Tax & Other Levies | 224.3 | 258.5 | 376.1 | 281.0 | 312.8 |
| Others 5/ | 49.7 | 75.6 | 12.3 | 9.8 | 10.1 |
| AGGREGATE REVENUE | 7,582.5 | 8,486.5 | 8,928.9 | 9,652.6 | 8,964.4 |
| | | | | | |
| TOTAL EXPENDITURE | 8,789.4 | 9,774.3 | 10,097.0 | 11,039.0 | 10,184.2 |
| Recurrent Expenditure | 5,222.8 | 6,011.9 | 5,843.4 | 6,429.2 | 6,574.6 |
| Goods & Services | 4,636.8 | 5,252.5 | 5,131.6 | 5,571.5 | 5,523.3 |
| Personnel Cost | 2,217.4 | 3,150.7 | 3,423.9 | 3,628.5 | 3,694.7 |
| Pension | 272.6 | 216.6 | 251.6 | 273.0 | 325.6 |
| Overhead Cost | 1,775.9 | 1,933.0 | 1,270.8 | 1,349.7 | 1,248.0 |
| Others | 371.0 | 495.3 | 185.3 | 320.3 | 255.0 |
| Interest Payments | 586.0 | 759.4 | 711.8 | 857.7 | 1,051.3 |
| Foreign | 39.9 | 41.8 | 46.4 | 55.7 | 61.3 |
| Domestic | 546.1 | 717.6 | 665.4 | 802.0 | 990.0 |
| Capital Expenditure | 2,942.9 | 2,715.5 | 3,144.4 | 3,391.7 | 2,826.9 |
| Transfers | 528.3 | 935.9 | 893.8 | 1,010.1 | 782.8 |
| NDDC | 44.9 | 56.1 | 38.7 | 61.3 | 25.8 |
| NJC | 91.0 | 95.0 | 57.1 | 67.0 | 68.0 |
| UBE | 46.1 | 64.6 | 63.1 | 76.1 | 64.6 |
| Subnational Governments' Transfers | 179.5 | 263.6 | 76.6 | 0.00 | 0.00 |
| Special funds | 147.5 | 260.1 | 245.6 | 474.1 | 268.4 |
| Other Transfers | 19.3 | 196.5 | 412.7 | 331.5 | 356.0 |
| Others (incl. sub. govt. extrabudgetary exp.) | 95.4 | 111.0 | 215.4 | 208.0 | 0.00 |
| Balances | | | | | |
| Current Balance | 1,736.0 | 1,427.7 | 1,976.3 | 3,223.3 | 2,389.9 |
| Primary Balance | (620.9) | (528.4) | (456.3) | (528.8) | (168.5) |
| OVERALL BALANCE | (1,206.9) | (1,287.8) | (1,168.0) | (1,386.5) | (1,219.8) |
| | | | | | |
| FINANCING | 1,206.9 | 1,287.8 | 1,168.1 | 1,386.5 | 1,219.8 |
| Foreign (Net) | 82.6 | 114.6 | 10.4 | 31.5 | 24.4 |
| Domestic (Net) | 1,124.3 | 1,173.2 | 1,157.7 | 1,355.0 | 1,195.4 |
| Banking System | 841.8 | 673.1 | 227.6 | 922.8 | 698.4 |
| CBN/Sinking Fund | 118.5 | 6.2 | - | 58.7 | - |
| DMBs | 723.3 | 666.9 | 227.6 | 864.1 | 698.4 |
| Non-Bank Public | 354.5 | 355.8 | 744.4 | 257.7 | 195.4 |
| Other Funds | (72.0) | 144.3 | 185.7 | 174.4 | 301.6 |

1/ Provisional
2/ Non-Oil Revenue (Gross) 2007 – 2010 were revised to capture FG Independent Revenue
3/ This excludes SG Statutory Allocation to LGs in 2012
4/ This excludes SG Statutory Allocation to LGs in 2012
5/ Includes Transfers to FCT, NITDF and Transfer to NHIS
Source: Federal Ministry of Finance

## Table 22
## General Government's Expenditure on Selected Primary Welfare Sectors
## (Naira Billion)

| SELECTED SECTORS | 2013 | | | 2014 | | | | | 2013 | 2014 1/ |
|---|---|---|---|---|---|---|---|---|---|---|
| | Recurrent | Capital | Total | Recurrent | Capital | Total | Changes | % Change | As % of GDP | |
| Education | 1,211.0 | 199.6 | 1,410.6 | 1,074.9 | 212.7 | 1,287.6 | (123.1) | (8.7) | 1.8 | 1.4 |
| Health | 471.5 | 114.1 | 585.6 | 477.9 | 162.0 | 639.9 | 54.3 | 9.3 | 0.7 | 0.7 |
| Agriculture | 120.9 | 142.5 | 263.4 | 139.7 | 142.2 | 281.8 | 18.4 | 7.0 | 0.3 | 0.3 |
| TOTAL | 1,803.4 | 456.2 | 2,259.6 | 1,692.4 | 516.9 | 2,209.3 | (50.3) | 2.2 | 2.8 | 2.5 |

1/ Provisional
Source: Federal Ministry of Finance and Central Bank of Nigeria

## Table 23
## Summary of Federal Government Finances
## (Naira Billion)

| | 2010 | 2011 | 2012 | 2013 1/ | 2014 1/ |
|---|---|---|---|---|---|
| **FEDERAL GOVERNMENT RETAINED REVENUE** | **3,089.2** | **3,553.5** | **3,629.6** | **4,031.8** | **3,751.7** |
| Share of Federation Account | 1,830.9 | 2,403.9 | 2,499.5 | 2,830.8 | 2,877.1 |
| Share of VAT Pool Account | 81.1 | 93.5 | 102.3 | 114.6 | 114.4 |
| Federal Government Independent Revenue | 153.6 | 182.5 | 206.8 | 274.4 | 295.3 |
| Share of Excess Crude Account (incl. Augment.) | 464.1 | 836.9 | 485.0 | 570.8 | 34.8 |
| Share from SURE-P Distribution | - | - | 130.3 | 195.5 | 195.5 |
| Share from Excess Non-Oil | - | - | 40.1 | - | 121.6 |
| NNPC Refund (Incl. Additional NNPC Share) | - | - | - | - | 58.2 |
| Exchange Gain | - | - | - | - | 2.8 |
| Others 2/ | 559.5 | 36.7 | 165.7 | 45.7 | 52.0 |
| | | | | | |
| **TOTAL EXPENDITURE** | **4,194.6** | **4,712.1** | **4,605.4** | **5,185.3** | **4,587.4** |
| **Recurrent Expenditure** | **3,109.4** | **3,314.5** | **3,325.2** | **3,689.1** | **3,426.9** |
| **Goods and Services** | **2,546.2** | **2,527.3** | **2,400.3** | **2,386.8** | **2,216.8** |
| Personnel Cost | 1,380.5 | 1,722.4 | 1,663.5 | 1,721.3 | 1,656.2 |
| Pension | 183.5 | 131.5 | 147.1 | 139.7 | 182.8 |
| Overhead Cost 3/ | 982.3 | 673.3 | 589.6 | 525.8 | 377.8 |
| **Interest Payments** | **415.6** | **527.2** | **679.3** | **828.1** | **941.7** |
| Foreign | 39.9 | 41.8 | 46.4 | 55.7 | 61.3 |
| Domestic | 375.8 | 485.4 | 632.9 | 772.4 | 880.4 |
| **Transfers** | **147.5** | **260.1** | **245.6** | **474.1** | **268.4** |
| Special funds and others 4/ | 147.5 | 260.1 | 245.6 | 474.1 | 268.4 |
| **Capital Expenditure & Net Lending** | **883.9** | **918.5** | **874.8** | **1,108.4** | **783.1** |
| Domestic Financed Budget | 883.9 | 918.5 | 874.8 | 1,108.4 | 783.1 |
| Budgetary | 883.9 | 918.5 | 744.4 | 912.9 | 587.6 |
| SURE-P Implementation | - | - | 130.3 | 195.5 | 195.5 |
| **Transfers** | **201.3** | **479.0** | **405.4** | **387.9** | **377.4** |
| NDDC | 44.9 | 56.1 | 38.7 | 61.3 | 25.8 |
| NJC | 91.0 | 95.0 | 57.1 | 67.0 | 68.0 |
| UBE | 46.1 | 64.6 | 63.1 | 76.1 | 64.6 |
| Others | 19.3 | 263.4 | 246.5 | 183.4 | 219.0 |
| | | | | | |
| **BALANCES** | | | | | |
| Primary Surplus(+)/Deficit(-) | (689.8) | (631.3) | (296.6) | (325.4) | 106.0 |
| Current Surplus(+)/Deficit(-) | (20.2) | 239.0 | 304.4 | 342.8 | 324.8 |
| **OVERALL SURPLUS(+)/DEFICIT(-)** | **(1,105.4)** | **(1,158.5)** | **(975.7)** | **(1,153.5)** | **(835.7)** |
| | | | | | |
| **FINANCING** | **1,105.4** | **1,158.5** | **975.7** | **1,153.5** | **835.7** |
| Foreign (Net) | 75.0 | 73.3 | - | - | - |
| Domestic (Net) | 1,110.5 | 855.3 | 975.7 | 1,153.5 | 835.7 |
| Banking System | 749.7 | 496.4 | 471.3 | 510.4 | 428.8 |
| Central Bank | 118.5 | 6.2 | 45.4 | 58.7 | - |
| Deposit Money Banks | 631.3 | 490.2 | 426.0 | 451.7 | - |
| Non-Bank Public | 354.5 | 355.8 | 273.1 | 257.7 | 195.4 |
| Privatization Proceed | 6.4 | 3.0 | 7.5 | - | - |
| Other Funds 5/ | (80.2) | 229.9 | 223.8 | 385.3 | 211.5 |

1/ Provisional
2/ Includes unspent balances from previous FY & FG balances of special accounts
3/ Includes 1% Police Reform Deductions in 2015
4/ Includes other statutory deduction in 2015
5/ Includes FG's contribution to the External Creditors' Fund
Source: Federal Ministry of Finance

## Table 24
## Functional Classification of Federal Government Recurrent and Capital Expenditure (Naira Billion)

| | 2010 | 2011 | 2012 | 2013 1/ | 2014 2/ |
|---|---|---|---|---|---|
| **TOTAL EXPENDITURE** | **4,194.6** | **4,712.1** | **4,605.3** | **4,711.2** | **4,587.4** |
| | | | | | |
| **A. RECURRENT EXPENDITURE** | **3,109.4** | **3,314.5** | **3,325.2** | **3,215.0** | **3,426.9** |
| | | | | | |
| **A1. ADMINISTRATION** | **1,117.4** | **1,262.4** | **1,159.4** | **1,111.8** | **992.8** |
| General Administration | 694.5 | 699.2 | 500.1 | 546.8 | 445.2 |
| Defence | 198.7 | 283.2 | 296.8 | 272.3 | 274.5 |
| Internal Security | 224.2 | 280.0 | 362.5 | 292.7 | 273.1 |
| | | | | | |
| **A2. ECONOMIC SERVICES** | **562.7** | **310.5** | **230.1** | **291.2** | **266.4** |
| Agriculture | 28.2 | 41.2 | 33.3 | 39.4 | 36.7 |
| Roads & Construction | 57.1 | 195.9 | 83.3 | 92.2 | 116.3 |
| Transport & Communications | 42.4 | 13.1 | 23.2 | 18.5 | 18.3 |
| Others | 435.0 | 60.3 | 90.3 | 141.1 | 95.1 |
| | | | | | |
| **A3. SOCIAL & COMMUNITY SERVICES** | **550.9** | **785.4** | **790.1** | **844.1** | **774.8** |
| Education | 170.8 | 335.8 | 348.4 | 390.4 | 343.8 |
| Health | 99.1 | 231.8 | 197.9 | 180.0 | 196.0 |
| Others | 281.0 | 217.8 | 243.8 | 273.7 | 235.0 |
| | | | | | |
| **A4. TRANSFERS** | **878.3** | **956.2** | **1,145.6** | **967.8** | **1,392.9** |
| Public Debt Charges (Int) | **415.7** | **527.2** | **679.3** | **828.1** | **941.7** |
| Domestic | 375.8 | 485.4 | 632.9 | 772.4 | 880.4 |
| Foreign | 39.9 | 41.8 | 46.4 | 55.7 | 61.3 |
| Pensions & Gratuities | 183.5 | 131.5 | 147.1 | 139.7 | 182.8 |
| FCT & Others | 147.5 | 260.1 | 245.6 | - | 268.4 |
| Contingencies (Others) | - | - | - | - | - |
| External Obligations | - | - | - | - | - |
| Extra-Budgetary Expenditure | - | - | - | - | - |
| Deferred Customs Duties | - | - | - | - | - |
| Unspecified Expenditure | - | - | - | - | - |
| Others | 131.7 | 37.4 | 73.6 | - | - |
| | | | | | |
| **B. CAPITAL EXPENDITURE** | **883.9** | **918.5** | **874.7** | **1,108.4** | **783.1** |
| | | | | | |
| **B1. ADMINISTRATION** | **260.2** | **231.8** | **190.5** | **283.6** | **229.6** |
| General Administration | 171.1 | 138.0 | 94.9 | 237.8 | 147.9 |
| Defence | 28.8 | 28.1 | 37.5 | 33.7 | 33.4 |
| Internal Security | 60.3 | 65.7 | 58.1 | 12.1 | 48.3 |
| | | | | | |
| **B2 ECONOMIC SERVICES** | **412.2** | **386.4** | **320.9** | **505.8** | **393.4** |
| Agriculture & Natural Resources | 78.0 | 62.9 | 63.4 | 56.4 | 61.9 |
| Manuf., Mining & Quarrying | 20.6 | 7.6 | 7.2 | 4.3 | 6.6 |
| Transport & Communications | 68.9 | 58.8 | 59.6 | 58.4 | 59.5 |
| Housing | 20.4 | 22.0 | 27.1 | 11.4 | 21.5 |
| Roads & Construction | 195.4 | 150.7 | 154.2 | 110.8 | 142.9 |
| National Priority Projects | - | - | - | - | - |
| JVC Calls/NNPC Priority Projects | - | - | - | - | - |
| PTF | - | - | - | - | - |
| Counterpart Funding | - | - | - | - | - |
| Others | 29.0 | 84.4 | 9.4 | 264.5 | 101.0 |
| | | | | | |
| **B3 SOCIAL & COMMUNITY SERVICES** | **151.8** | **92.8** | **97.4** | **154.7** | **111.3** |
| Education | 87.9 | 35.4 | 47.6 | 35.4 | 40.8 |
| Health | 35.0 | 39.5 | 45.0 | 32.4 | 40.7 |
| Others | 28.9 | 17.9 | 4.8 | 86.9 | 29.7 |
| | | | | | |
| **B4 TRANSFERS** | **59.7** | **207.5** | **265.9** | **164.3** | **48.8** |
| Financial Obligations | - | - | - | - | - |
| Capital Repayments | - | - | - | - | - |
| Domestic | - | - | - | - | - |
| Foreign | - | - | - | - | - |
| External Obligations | - | - | - | - | - |
| Contingencies 2/ | - | - | - | - | - |
| Capital Supplementation | 59.7 | 207.5 | 265.9 | 15.4 | 16.7 |
| Net Lending to States/L.G.s/Parast. | - | - | - | - | - |
| Grants to States | - | - | - | - | - |
| Others | - | - | - | 148.9 | 32.1 |
| | | | | | |
| **C. STATUTORY TRANSFERS** | **201.3** | **479.0** | **405.4** | **387.9** | **377.4** |
| NDDC | 44.9 | 56.1 | 38.7 | 61.3 | 25.8 |
| NJC | 91.0 | 95.0 | 57.1 | 67.0 | 68.0 |
| UBE | 46.1 | 64.6 | 63.1 | 76.1 | 64.6 |
| Others | 19.3 | 263.4 | 246.5 | 183.4 | 219.0 |

/1 Revised
/2 Provisional
Source: Federal Ministry of Finance, Office of the Accountant-General of the Federation and Central Bank of Nigeria.

## Table 25
## Federal Government Expenditure on Primary Welfare Sectors
## (Naira Billion)

| | 2013 | | | 2014 1/ | | | | | 2013 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| SELECTED SECTORS | Recurrent | Capital | Total | Recurrent | Capital | Total | Changes | % Changes | | As % of GDP |
| **Education** | 390.4 | 35.4 | **425.8** | 343.8 | 40.8 | **384.6** | (41.2) | (9.7) | 0.5 | 0.4 |
| **Health** | 180.0 | 32.4 | **212.4** | 196.0 | 40.7 | **236.7** | 24.3 | 11.4 | 0.3 | 0.3 |
| **Agriculture** | 39.4 | 56.4 | **95.8** | 36.7 | 61.9 | **98.6** | 2.8 | 2.9 | 0.1 | 0.1 |
| **Roads and Contruction** | 92.2 | 110.8 | **203.0** | 116.3 | 142.9 | **259.2** | 56.2 | 27.7 | 0.3 | 0.3 |
| **TOTAL** | **702.0** | **235.0** | **937.0** | **692.8** | **286.3** | **979.1** | 42.07 | 4.5 | 1.2 | 1.1 |
| **TOTAL EXPENDITURE** | | | **4,711.2** | | | **4,587.4** | (123.79) | (2.6) | 5.9 | 5.2 |

1/ Provisional
Source: Federal Ministry of Finance and Central Bank of Nigeria

## Table 26
## State Governments and FCT's Finances
## (Naira Billion)

| | 2010 | 2011 | 2012 1/ | 2013 1/ | 2014 2/ |
|---|---|---|---|---|---|
| | | | | | |
| Total Revenue plus Grants | 3,162.5 | 3,410.1 | 3,572.6 | 3,905.4 | 3,672.0 |
| Share of Federation Account 3/ | 1,353.7 | 1,786.3 | 1,857.0 | 2,104.6 | 2,122.9 |
| Budget Augmentation | 162.9 | 510.7 | 208.0 | 290.0 | - |
| Exchange Rate Gain/NNPC Refund/SURE-P 4/ | 14.8 | 18.9 | 190.5 | 215.1 | 211.6 |
| Additional fund for Sub-national govt. | - | - | - | - | 11.4 |
| Excess Crude | 322.4 | 167.0 | 143.9 | 172.3 | 28.2 |
| Non-Oil Excess | - | - | - | - | 64.0 |
| Share of VAT | 275.6 | 318.0 | 347.7 | 389.5 | 388.9 |
| Internally Generated Revenue | 757.9 | 509.3 | 548.1 | 657.0 | 801.3 |
| Share of Stabilization Fund | 51.0 | 11.2 | 1.3 | 27.6 | - |
| Grants & Others | 224.2 | 88.7 | 276.1 | 49.2 | 43.8 |
| | | | | | |
| Total Expenditure | 3,266.2 | 3,541.9 | 3,845.1 | 4,046.8 | 3,983.0 |
| Recurrent Expenditure | 1,648.4 | 2,055.7 | 1,664.4 | 1,948.4 | 2,120.5 |
| Personnel Cost | 505.3 | 680.2 | 806.0 | 913.4 | 956.0 |
| Overhead Cost | 402.8 | 484.9 | 418.1 | 558.2 | 687.2 |
| CRF Charges | 181.9 | 70.9 | 60.4 | 85.7 | 65.1 |
| Pensions | 89.1 | 85.1 | 104.5 | 133.3 | 142.7 |
| Debt Charges | 170.3 | 232.2 | 32.6 | 29.6 | 109.6 |
| Transfer to LGs | 106.8 | 68.9 | - | - | - |
| Other Transfers | 72.7 | 208.7 | 76.6 | 148.1 | 137.0 |
| Others | 119.5 | 224.8 | 166.2 | 80.0 | 22.8 |
| Capital Expenditure | 1,522.4 | 1,375.2 | 1,965.3 | 1,890.4 | 1,862.5 |
| Direct Deductions from Statutory Allocations 5/ | 95.4 | 111.0 | 215.4 | 208.0 | - |
| | | | | | |
| Current Balance 6/ | 1,514.1 | 1,354.4 | 1,908.2 | 1,957.0 | 1,551.6 |
| Overall Balance 6/ | (103.7) | (131.8) | (272.5) | (141.4) | (311.0) |
| | | | | | |
| Financing | 103.7 | 131.9 | 272.4 | 141.4 | 311.0 |
| External Loans | 7.6 | 41.3 | 10.4 | 31.5 | 24.4 |
| Internal Loans | 88.1 | 170.4 | 223.4 | 412.4 | 261.9 |
| Other Funds | 8.0 | (79.8) | 38.6 | (302.4) | 24.7 |

1/ Revised
2/ Provisional and comprises 36 states and FCT
3/ Gross Statutory Allocation
4/ Includes Additional fund from NNPC
5/ Includes contribution to external debt fund and other deductions at source
6/ positive (+) sign connotes surplus while negative (-) sign connotes deficit

**Sources:** State Governments' Ministries of Finance and Office of the Accountant-General of the Federation's reports

## Table 27
## Functional Classification of State Governments' Recurrent and Capital Expenditure
## (Naira Billion)

| | 2010 | 2011 | 2012 | 2013 1/ | 2014 2/ |
|---|---|---|---|---|---|
| Total Expenditure | 3,266.2 | 3,540.9 | 3,845.1 | 4,046.8 | 3,983.0 |
| | | | | | |
| A. RECURRENT EXPENDITURE | 1,648.4 | 2,055.7 | 1,664.4 | 1,948.4 | 2,120.5 |
| | | | | | |
| A1. ADMINISTRATION | 427.9 | 378.7 | 371.4 | 951.3 | 771.4 |
| General Administration | 265.4 | 207.5 | 216.2 | 560.9 | 520.6 |
| State Assembly | 58.0 | 43.8 | 45.0 | 46.5 | 109.1 |
| State Judiciary | 51.0 | 34.3 | 43.3 | 59.7 | 83.5 |
| Others | 53.5 | 93.1 | 66.9 | 284.2 | 58.3 |
| | | | | | |
| A2. ECONOMIC SERVICES | 401.6 | 546.9 | 472.0 | 248.2 | 418.3 |
| Agriculture | 52.8 | 42.5 | 52.1 | 50.8 | 87.7 |
| Livestock | 8.1 | 18.3 | 14.2 | 3.7 | 10.7 |
| Forestry | 6.4 | 10.4 | 9.6 | 1.8 | 16.9 |
| Industry | 21.9 | 13.7 | 24.0 | 32.9 | 9.7 |
| Commerce | 15.5 | 15.4 | 20.0 | 5.1 | 17.3 |
| Finance | 49.9 | 44.8 | 42.6 | 53.4 | 9.0 |
| Transport | 55.8 | 61.0 | 55.9 | 30.6 | 44.8 |
| Cooperative/Supply | 6.8 | 10.0 | 8.9 | 0.8 | - |
| Power (Incl. Rural Electrification) | 54.5 | 28.5 | 54.4 | 11.8 | 34.4 |
| Roads Construction | 25.1 | 86.5 | 64.2 | 28.0 | 70.3 |
| Others | 104.8 | 215.8 | 126.2 | 29.3 | 117.5 |
| | | | | | |
| A3. SOCIAL SERVICES | 351.1 | 462.8 | 391.5 | 642.6 | 735.3 |
| Education | 154.1 | 130.1 | 142.1 | 257.3 | 202.3 |
| Health | 75.0 | 75.8 | 75.7 | 165.5 | 225.6 |
| Water Supply | 37.5 | 20.4 | 36.0 | 34.0 | 28.2 |
| Information & Culture | 9.5 | 18.5 | 11.8 | 31.5 | 95.5 |
| Social & Comm. Dev. | 12.9 | 28.8 | 18.7 | 19.9 | 45.7 |
| Housing | 16.1 | 15.2 | 22.5 | 7.9 | 32.0 |
| Town & Country Planning | 11.5 | 10.6 | 13.5 | 5.2 | 8.1 |
| Others | 34.4 | 163.4 | 71.2 | 121.2 | 97.9 |
| | | | | | |
| A4. TRANSFERS | 467.8 | 667.3 | 429.5 | 106.4 | 195.5 |
| Debt Charges (Interest Payments) | 170.3 | 232.2 | 183.1 | 13.1 | 50.4 |
| Pensions & Gratuities | 89.1 | 85.1 | 90.3 | 79.8 | 145.1 |
| Others | 208.4 | 350.0 | 156.2 | 13.5 | - |
| | | | | | |
| B. CAPITAL EXPENDITURE | 1,522.4 | 1,375.2 | 1,965.3 | 1,890.4 | 1,862.5 |
| | | | | | |
| B1. ADMINISTRATION | 281.6 | 225.4 | 315.8 | 439.6 | 325.3 |
| General Administration | 206.5 | 90.2 | 188.2 | 249.5 | 276.3 |
| State Assembly | 33.2 | 13.8 | 25.7 | 10.2 | 21.3 |
| State Judiciary | 17.6 | 27.1 | 24.1 | 9.3 | 20.2 |
| Others | 24.3 | 94.3 | 77.8 | 170.7 | 7.5 |
| | | | | | |
| B2. ECONOMIC SERVICES | 746.4 | 705.5 | 1,002.7 | 862.5 | 671.3 |
| Agriculture | 53.5 | 35.1 | 66.3 | 67.0 | 71.0 |
| Livestock | 8.1 | 3.3 | 9.8 | 1.4 | 4.0 |
| Forestry | 4.2 | 6.8 | 8.8 | 1.0 | 3.7 |
| Industry | 21.3 | 6.5 | 21.7 | 15.1 | 12.3 |
| Commerce | 51.1 | 54.5 | 61.7 | 10.6 | 21.5 |
| Finance | 31.8 | 27.2 | 40.4 | 26.0 | 11.2 |
| Transport | 141.9 | 59.5 | 136.6 | 193.8 | 100.9 |
| Cooperative/Supply | 7.8 | 8.6 | 10.4 | 1.1 | - |
| Power (Incl. Rural Electrification) | 64.5 | 66.4 | 84.0 | 44.9 | 113.4 |
| Roads Construction | 310.6 | 263.7 | 431.5 | 482.3 | 320.4 |
| Others | 51.6 | 173.9 | 131.5 | 19.1 | 12.9 |
| | | | | | |
| B3. SOCIAL SERVICES | 442.4 | 331.5 | 552.9 | 445.6 | 616.0 |
| Education | 101.9 | 82.4 | 131.2 | 140.1 | 160.1 |
| Health | 65.0 | 43.8 | 84.7 | 62.7 | 110.9 |
| Water Supply | 46.8 | 36.6 | 63.8 | 34.0 | 29.5 |
| Information & Culture | 17.8 | 18.4 | 22.6 | 17.2 | 65.3 |
| Social & Comm. Development | 20.5 | 14.0 | 25.4 | 19.7 | 68.8 |
| Housing | 40.6 | 14.0 | 37.6 | 33.0 | 94.3 |
| Town & Country Planning | 89.5 | 50.9 | 91.2 | 55.1 | 27.1 |
| Others | 60.3 | 71.4 | 96.5 | 83.8 | 60.1 |
| | | | | | |
| B4. TRANSFERS | 52.0 | 112.8 | 93.9 | 142.7 | 249.8 |
| Capital Repayments | 6.7 | 26.3 | 16.8 | 99.6 | 44.5 |
| Grants to LGs/Parastatals/Higher Inst. | 39.2 | 68.9 | 64.0 | 40.9 | 205.3 |
| Others | 6.1 | 17.6 | 13.1 | 2.2 | - |
| | | | | | - |
| C. EXTRA-BUDGETARY EXPENDITURES | 95.4 | 110.0 | 215.4 | 208.0 | - |

1/ Revised
2/ Provisional and comprises 36 states and FCT
Sources: State Governments' Accountants-General and OAGF

# Table 28
## Summary of State Governments and FCT's Finances: State-By-State, 2014 1/
## (N' Billion)

| S/N | STATES | REVENUE & OTHER RECEIPTS | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Gross Statutory Allocation 2/ | Distribution from Excess | NNPC Refund/Additional fund from NNPC | Additional Fund for Sub-national govt. | SURE-P | Exchange Gain Sub-Total | VAT | Non-oil Excess | Internally Gen. Rev. (IGR) | Grants | Stabilization Fund & Others | Others | TOTAL |
| | | (1) | | | | | | (2) | | (3) | (4) | (5) | (6) | |
| 1 | Abia | 42.5 | 0.5 | 1.0 | 0.2 | 3.0 | 0.0 | 7.9 | 1.5 | 14.4 | - | - | - | 71.2 |
| 2 | Adamawa | 38.3 | 0.5 | 0.9 | 0.2 | 2.6 | 0.0 | 8.2 | 1.6 | 5.0 | 2.4 | - | - | 59.7 |
| 3 | Akwa Ibom | 221.8 | 3.5 | 5.2 | 1.4 | 19.6 | 0.3 | 8.9 | 1.6 | 12.1 | - | - | - | 274.3 |
| 4 | Anambra | 38.3 | 0.5 | 0.9 | 0.2 | 2.6 | 0.0 | 9.1 | 1.6 | 24.3 | - | - | - | 77.6 |
| 5 | Bauchi | 46.0 | 0.6 | 1.1 | 0.2 | 3.1 | 0.0 | 9.4 | 1.9 | 5.0 | 2.7 | - | - | 70.1 |
| 6 | Bayelsa | 151.4 | 2.2 | 3.4 | 0.9 | 12.1 | 0.2 | 7.5 | 1.4 | 8.1 | 3.4 | - | - | 190.6 |
| 7 | Benue | 43.2 | 0.5 | 1.0 | 0.2 | 2.9 | 0.0 | 9.0 | 1.8 | 6.4 | 1.0 | - | - | 66.1 |
| 8 | Borno | 47.8 | 0.6 | 1.1 | 0.2 | 3.2 | 0.0 | 8.9 | 2.0 | 9.9 | - | - | - | 73.9 |
| 9 | Cross River | 38.7 | 0.5 | 1.0 | 0.2 | 2.8 | 0.0 | 8.1 | 1.6 | 11.8 | 0.5 | - | - | 65.2 |
| 10 | Delta | 172.7 | 2.8 | 4.1 | 1.1 | 14.5 | 0.2 | 9.6 | 1.7 | 40.8 | - | - | - | 247.5 |
| 11 | Ebonyi | 34.4 | 0.4 | 0.8 | 0.2 | 2.3 | 0.0 | 7.4 | 1.5 | 6.4 | 0.4 | - | - | 53.8 |
| 12 | Edo | 51.9 | 0.7 | 1.2 | 0.3 | 3.7 | 0.1 | 8.5 | 1.5 | 17.0 | - | - | - | 84.9 |
| 13 | Ekiti | 34.4 | 0.4 | 0.8 | 0.2 | 2.3 | 0.0 | 7.4 | 1.5 | 7.3 | - | - | - | 54.2 |
| 14 | Enugu | 38.7 | 0.5 | 0.9 | 0.2 | 2.6 | 0.0 | 8.4 | 1.6 | 12.3 | 1.8 | - | - | 67.0 |
| 15 | Gombe | 36.2 | 0.4 | 0.9 | 0.2 | 2.4 | 0.0 | 7.3 | 1.5 | 8.3 | 12.8 | - | - | 70.1 |
| 16 | Imo | 46.3 | 0.6 | 1.1 | 0.2 | 3.2 | 0.0 | 8.7 | 1.7 | 6.8 | - | - | - | 68.7 |
| 17 | Jigawa | 43.0 | 0.5 | 1.0 | 0.2 | 2.9 | 0.0 | 9.5 | 1.8 | 2.8 | 0.2 | - | - | 62.2 |
| 18 | Kaduna | 50.4 | 0.6 | 1.2 | 0.3 | 3.4 | 0.0 | 10.7 | 2.1 | 3.6 | - | - | - | 72.4 |
| 19 | Kano | 61.0 | 0.7 | 1.5 | 0.3 | 4.2 | 0.1 | 14.4 | 2.6 | 32.3 | - | - | - | 117.0 |
| 20 | Katsina | 47.3 | 0.6 | 1.1 | 0.2 | 3.2 | 0.0 | 10.4 | 2.0 | 0.3 | - | - | - | 65.2 |
| 21 | Kebbi | 40.6 | 0.5 | 1.0 | 0.2 | 2.7 | 0.0 | 8.4 | 1.7 | 4.0 | 8.8 | - | - | 67.9 |
| 22 | Kogi | 42.5 | 0.5 | 1.0 | 0.2 | 2.8 | 0.0 | 8.2 | 1.8 | 6.4 | 1.2 | - | - | 64.7 |
| 23 | Kwara | 34.3 | 0.4 | 0.8 | 0.2 | 2.4 | 0.0 | 7.4 | 1.4 | 12.3 | 7.8 | - | - | 67.1 |
| 24 | Lagos | 51.6 | 0.6 | 1.3 | 0.3 | 3.7 | 0.1 | 72.6 | 2.2 | 271.4 | 0.1 | - | - | 403.7 |
| 25 | Nassarawa | 35.5 | 0.4 | 0.8 | 0.2 | 2.3 | 0.0 | 7.0 | 1.5 | 8.0 | - | - | - | 55.8 |
| 26 | Niger | 45.6 | 0.6 | 1.1 | 0.2 | 3.1 | 0.0 | 8.7 | 1.9 | 4.8 | 0.3 | - | - | 66.4 |
| 27 | Ogun | 35.8 | 0.4 | 0.9 | 0.2 | 2.5 | 0.0 | 8.6 | 1.5 | 32.9 | 0.3 | - | - | 83.1 |
| 28 | Ondo | 60.3 | 0.9 | 1.6 | 0.4 | 4.7 | 0.1 | 8.3 | 1.5 | 9.5 | - | - | - | 87.1 |
| 29 | Osun | 35.1 | 0.4 | 0.9 | 0.2 | 2.4 | 0.0 | 8.5 | 1.5 | 9.3 | - | - | - | 58.2 |
| 30 | Oyo | 43.2 | 0.5 | 1.1 | 0.2 | 3.0 | 0.0 | 10.4 | 1.8 | 18.1 | - | - | - | 78.4 |
| 31 | Plateau | 40.2 | 0.5 | 0.9 | 0.2 | 8.2 | 0.0 | 8.6 | 1.7 | 8.4 | - | - | - | 68.7 |
| 32 | Rivers | 163.3 | 2.3 | 4.6 | 1.0 | 9.5 | 0.2 | 13.3 | 1.8 | 91.7 | - | - | - | 287.7 |
| 33 | Sokoto | 42.4 | 0.5 | 1.0 | 0.2 | 2.8 | 0.0 | 8.8 | 1.8 | 11.0 | - | - | - | 68.6 |
| 34 | Taraba | 37.1 | 0.4 | 0.9 | 0.2 | 2.6 | 0.0 | 7.3 | 1.6 | 9.3 | - | - | - | 59.4 |
| 35 | Yobe | 38.2 | 0.5 | 0.9 | 0.2 | 2.6 | 0.0 | 7.4 | 1.6 | 6.9 | 0.2 | - | - | 58.5 |
| 36 | Zamfara | 38.3 | 0.5 | 0.9 | 0.2 | 2.6 | 0.0 | 8.1 | 1.6 | 3.1 | - | - | - | 55.3 |
| 37 | FCT | 54.6 | 0.7 | 1.1 | - | 3.7 | 0.1 | 7.6 | 2.3 | 59.4 | - | - | - | 129.5 |
| 38 | Escrow (Disputed Fund) | - | - | - | | - | - | - | | | - | - | - | - |
| TOTAL | | 2,122.9 | 28.2 | 51.1 | 11.4 | 158.3 | 2.2 | 388.9 | 64.0 | 801.3 | 43.8 | 0.0 | 0.0 | 3,672.0 |

1/ Provisional
2/ Gross allocation
3/ Positive (+) sign connotes decrease while (-) sign connotes increase in funds
4/ This includes transfers from CRF and Miscellaneous Receipts
Sources: State Governments' and FCT Abuja Accountants- General's Reports

## Table 28 Contd.
## Summary of State Government and FCT's Finances: State-By-State, 2014 1/
## (N' Billion)

| S/N | STATES | EXPENDITURE & TRANSFERS | | | | | | | | | | BALANCE | | FINANCING | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | RECURRENT | | | | | | | | | | | | LOANS | | | | |
| | | Personnel Cost | Overhead Cost | CRF Charges | Pensions | Debt Charges | Other Transfers | Others | SUB-TOTAL | CAPITAL | TOTAL EXPENDITURE | Current | Overall | Internal | External | Sub-Total | OTHER FUNDS 3/ | TOTAL |
| | | (7) | (8) | (9) | (10) | (11) | (12) | (13) | | (14) | (15) | (16) | (17) | (18) | (19) | | (20) | |
| 1 | Abia | 23.7 | 16.6 | 0.1 | 6.7 | 3.7 | 0.2 | - | 51.1 | 32.4 | 83.5 | 20.1 | (12.3) | 12.2 | - | 12.2 | - | 12.2 |
| 2 | Adamawa | 19.5 | 17.7 | 5.0 | 2.7 | 0.1 | - | - | 45.2 | 24.7 | 69.9 | 14.5 | (10.1) | 9.1 | 1.0 | 10.1 | 0.0 | 10.2 |
| 3 | Akwa Ibom | 70.2 | 25.3 | 5.2 | 3.5 | 1.0 | - | - | 105.1 | 181.9 | 287.0 | 169.2 | (12.6) | 12.2 | - | 12.2 | - | 12.2 |
| 4 | Anambra | 12.8 | 24.3 | 0.0 | 9.0 | 0.1 | 2.5 | 3.2 | 51.9 | 39.3 | 91.2 | 25.7 | (13.6) | 13.6 | - | 13.6 | - | 13.6 |
| 5 | Bauchi | 23.7 | 13.3 | 1.0 | 2.6 | 2.8 | - | - | 43.5 | 28.4 | 71.9 | 26.7 | (1.7) | 1.7 | - | 1.7 | - | 1.7 |
| 6 | Bayelsa | 26.7 | 44.2 | 3.6 | 4.0 | 1.1 | 0.9 | - | 80.6 | 109.2 | 189.8 | 110.0 | 0.8 | (1.3) | - | (1.3) | - | (1.3) |
| 7 | Benue | 19.6 | 31.1 | 3.0 | 2.7 | 0.1 | - | - | 56.6 | 14.5 | 71.1 | 9.5 | (5.0) | 4.9 | - | 4.9 | - | 4.9 |
| 8 | Borno | 11.3 | 15.1 | 1.2 | 2.0 | 0.1 | - | - | 29.7 | 38.4 | 68.1 | 44.1 | 5.7 | (5.8) | - | (5.8) | - | (5.8) |
| 9 | Cross River | 17.3 | 22.1 | 6.9 | 2.9 | 1.5 | - | - | 50.7 | 29.1 | 79.8 | 14.5 | (14.6) | 14.7 | - | 14.7 | - | 14.7 |
| 10 | Delta | 56.6 | 32.3 | 6.1 | 7.8 | 0.2 | - | 7.8 | 110.9 | 127.2 | 238.1 | 136.6 | 9.4 | (9.5) | - | (9.5) | - | (9.5) |
| 11 | Ebonyi | 10.2 | 10.3 | 1.4 | 1.2 | 3.2 | - | - | 26.4 | 31.2 | 57.6 | 27.4 | (3.7) | 3.7 | - | 3.7 | - | 3.7 |
| 12 | Edo | 21.5 | 19.8 | 0.1 | 4.6 | 12.9 | - | - | 58.9 | 26.6 | 85.4 | 26.0 | (0.5) | 0.4 | - | 0.4 | - | 0.4 |
| 13 | Ekiti | 13.4 | 17.9 | - | 2.3 | 10.8 | 8.6 | - | 53.0 | 15.1 | 68.1 | 1.2 | (13.9) | 13.9 | - | 13.9 | 0.0 | 13.9 |
| 14 | Enugu | 19.5 | 17.7 | 0.7 | 6.6 | 0.7 | 1.5 | - | 46.8 | 29.6 | 76.4 | 20.2 | (9.4) | 6.2 | 1.6 | 7.8 | 1.5 | 9.3 |
| 15 | Gombe | 16.2 | 16.7 | 0.0 | 3.3 | 7.7 | - | - | 43.9 | 25.9 | 69.8 | 26.2 | 0.3 | (0.4) | - | (0.4) | - | (0.4) |
| 16 | Imo | 9.5 | 13.8 | 1.1 | 5.0 | 0.5 | - | - | 30.0 | 45.4 | 75.4 | 38.7 | (6.7) | 6.6 | 0.1 | 6.7 | - | 6.7 |
| 17 | Jigawa | 6.1 | 13.7 | - | 1.0 | 0.2 | - | - | 21.0 | 32.2 | 53.2 | 41.2 | 9.0 | (9.0) | - | (9.0) | - | (9.0) |
| 18 | Kaduna | 21.6 | 14.6 | - | 1.2 | 1.0 | 0.1 | - | 38.5 | 35.4 | 73.9 | 33.9 | (1.5) | 1.5 | - | 1.5 | - | 1.5 |
| 19 | Kano | 38.8 | 21.1 | - | - | 0.3 | 0.9 | - | 61.1 | 83.7 | 144.8 | 55.9 | (27.8) | 27.8 | - | 27.8 | - | 27.8 |
| 20 | Katsina | 29.8 | 12.8 | - | 0.5 | 0.7 | 0.3 | - | 44.1 | 17.2 | 61.3 | 21.0 | 3.9 | (3.9) | - | (3.9) | - | (3.9) |
| 21 | Kebbi | 18.7 | 19.1 | 1.6 | 2.2 | 1.0 | 1.2 | - | 43.9 | 22.0 | 65.9 | 24.0 | 2.0 | (0.0) | - | (0.0) | (2.1) | (2.1) |
| 22 | Kogi | 20.2 | 14.4 | - | - | 0.2 | - | 0.4 | 35.2 | 25.1 | 60.3 | 29.5 | 4.4 | (4.5) | - | (4.5) | - | (4.5) |
| 23 | Kwara | 13.0 | 17.3 | 0.8 | 4.7 | 1.3 | - | - | 37.0 | 26.9 | 63.9 | 30.1 | 3.2 | (2.8) | (0.4) | (3.2) | - | (3.2) |
| 24 | Lagos | 75.6 | 31.8 | 0.2 | 2.9 | 5.3 | 95.5 | 2.6 | 213.8 | 263.8 | 477.6 | 189.9 | (73.8) | 43.1 | 20.9 | 63.9 | 10.1 | 74.0 |
| 25 | Nassarawa | 21.6 | 12.2 | 0.8 | 2.3 | 4.3 | 1.3 | - | 42.5 | 11.0 | 53.5 | 13.3 | 2.3 | (2.4) | - | (2.4) | - | (2.4) |
| 26 | Niger | 27.9 | 12.2 | 3.5 | 3.9 | 2.0 | 5.0 | 1.5 | 55.9 | 32.5 | 88.4 | 10.4 | (22.1) | 22.1 | - | 22.1 | - | 22.1 |
| 27 | Ogun | 43.7 | 18.9 | 1.5 | 9.1 | 0.7 | 0.0 | 0.1 | 74.1 | 21.3 | 95.4 | 9.0 | (12.3) | 11.8 | 0.6 | 12.4 | - | 12.4 |
| 28 | Ondo | 31.6 | 29.4 | 0.9 | 4.4 | 1.3 | - | - | 67.7 | 12.7 | 80.3 | 19.4 | 6.8 | (6.9) | - | (6.9) | - | (6.9) |
| 29 | Osun | 26.6 | 11.4 | - | 4.1 | 6.1 | - | 0.5 | 48.8 | 20.3 | 69.1 | 9.5 | (10.8) | 10.3 | 0.5 | 10.9 | - | 10.9 |
| 30 | Oyo | 25.5 | 17.3 | 8.9 | 5.9 | 0.7 | 1.5 | - | 59.8 | 25.9 | 85.7 | 18.6 | (7.3) | 7.2 | - | 7.2 | 0.2 | 7.4 |
| 31 | Plateau | 19.0 | 13.3 | 1.3 | 1.8 | 0.1 | - | 0.1 | 35.7 | 29.4 | 65.0 | 33.0 | 3.7 | 1.8 | - | 1.8 | - | 1.8 |
| 32 | Rivers | 70.6 | 19.5 | - | 11.3 | 15.7 | - | 1.7 | 118.8 | 207.5 | 326.4 | 168.8 | (38.7) | 19.5 | - | 19.5 | 14.9 | 34.4 |
| 33 | Sokoto | 16.4 | 15.9 | - | 0.7 | 0.5 | - | - | 33.5 | 28.4 | 61.9 | 35.1 | 6.7 | (6.7) | - | (6.7) | - | (6.7) |
| 34 | Taraba | 13.0 | 8.1 | - | 6.5 | 0.3 | - | 0.2 | 28.1 | 25.9 | 54.0 | 31.3 | 5.4 | (5.3) | - | (5.3) | - | (5.3) |
| 35 | Yobe | 18.9 | 11.0 | 3.0 | 0.1 | 0.2 | - | 0.1 | 33.3 | 27.9 | 61.2 | 25.2 | (2.7) | 2.7 | - | 2.7 | - | 2.7 |
| 36 | Zamfara | 17.2 | 0.1 | 0.4 | 1.6 | 15.2 | 12.1 | - | 46.7 | 24.3 | 71.0 | 8.7 | (15.6) | 15.7 | - | 15.7 | - | 15.7 |
| 37 | FCT | 28.2 | 34.7 | 6.7 | 11.4 | 6.1 | 5.2 | 4.6 | 96.9 | 90.2 | 187.1 | 32.6 | (57.7) | 57.7 | - | 57.7 | - | 57.7 |
| 38 | Escrow (Disputed Fund) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | TOTAL | 956.0 | 687.2 | 65.1 | 142.7 | 109.6 | 137.0 | 22.8 | 2,120.5 | 1,862.5 | 3,983.0 | 1,551.5 | (311.0) | 261.9 | 24.4 | 286.3 | 24.7 | 311.0 |

1/ Provisional
2/ Gross allocation
3/ Positive (+) sign connotes decrease while (-) sign connotes increase in funds
4/ This includes transfers from CRF and Miscellaneous Receipts
Sources: State Governments' and FCT Abuja Accountants- General's Reports

**Table 29**
**State Governments and FCT's Expenditures on Selected Sectors**
**(N' Billion)**

| | 2013 1/ | | | 2014 2/ | | | 2014 | | 2013 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| SELECTED SECTORS | Recurrent | Capital | Total | Recurrent | Capital | Total | Changes | % Changes | As % of GDP | |
| Education | 257.3 | 140.1 | 397.4 | 202.3 | 160.1 | 362.4 | (35.0) | -8.8 | 0.5 | 0.4 |
| Health | 165.5 | 62.7 | 228.2 | 225.6 | 110.9 | 336.5 | 108.2 | 47.4 | 0.3 | 0.4 |
| Agriculture | 50.8 | 67.0 | 117.8 | 87.7 | 71.0 | 158.7 | 40.9 | 34.7 | 0.1 | 0.2 |
| Water Supply | 34.0 | 34.0 | 68.1 | 28.2 | 29.5 | 57.7 | (10.3) | -15.2 | 0.1 | 0.1 |
| Housing | 7.9 | 33.0 | 40.9 | 32.0 | 94.3 | 126.3 | 85.4 | 208.6 | 0.1 | 0.1 |
| TOTAL | 515.5 | 336.9 | 852.4 | 575.7 | 465.9 | 1,041.6 | 189.1 | 22.2 | 1.1 | 1.2 |
| TOTAL EXPENDITURE | | | 4,046.8 | | | 3,983.0 | | | 5.1 | 4.5 |

1/ Revised
2/ Provisional
Source: Federal Ministry of Finance and Central Bank of Nigeria

## Table 30
## Summary of Local Governments' Finances
## (N' Billion)

| | 2010 | 2011 | 2012 | 2013 1/ | 2014 2/ |
|---|---|---|---|---|---|
| A. Gross Revenue | 1,238.5 | 1,636.2 | 1,648.2 | 1,810.0 | 1,614.8 |
| Share of Federation Account 3/ | 716.0 | 940.0 | 977.4 | 1,107.0 | 1,125.1 |
| Share of VAT | 189.1 | 218.2 | 238.5 | 267.3 | 266.9 |
| Internally Generated Revenue | 26.2 | 31.6 | 26.6 | 29.3 | 36.5 |
| Grants and Others 4/ | 48.9 | 72.4 | 30.0 | 59.4 | 11.1 |
| State Allocation | 12.7 | 35.2 | 8.7 | 12.8 | 4.1 |
| Share of Excess Crude | 159.9 | 80.6 | 69.5 | 83.2 | 13.6 |
| SURE-P | - | - | 51.0 | 76.5 | 76.5 |
| NNPC refund to LGs | - | - | 34.6 | 34.6 | 26.8 |
| Budget Augmentation | 78.7 | 90.0 | 100.4 | 140.0 | - |
| Exchange Gain | 7.1 | 11.5 | 13.6 | - | 1.1 |
| Non-oil excess revenue | - | - | 30.9 | - | 47.5 |
| Additional funds to LGs | - | - | - | - | 5.6 |
| Others 5/ | - | 156.6 | 67.0 | - | - |
| | | | | | |
| B. Total Expenditure | 1,236.0 | 1,631.9 | 1,644.8 | 1,806.9 | 1,613.8 |
| Recurrent Expenditure | 730.8 | 1,279.8 | 1,345.4 | 1,414.0 | 1,432.6 |
| Personnel Cost | 316.5 | 973.7 | 956.5 | 993.7 | 1,082.5 |
| Overhead Cost | 335.7 | 204.2 | 259.5 | 265.6 | 183.0 |
| CRFC & Others | 78.6 | 101.9 | 129.5 | 154.6 | 167.1 |
| | | | | | |
| Capital Expenditure | 505.3 | 352.1 | 299.4 | 392.9 | 181.2 |
| Administration | 78.7 | 130.3 | 50.6 | 95.0 | 51.2 |
| Economic Services | 231.3 | 122.0 | 111.7 | 121.6 | 79.5 |
| Social & Community Services | 171.5 | 92.5 | 103.1 | 127.2 | 48.1 |
| Transfers | 23.7 | 7.4 | 34.0 | 49.1 | 2.5 |
| | | | | | |
| C. Current Balance | 507.8 | 356.4 | 302.8 | 396.1 | 182.2 |
| D. Overall Balance | 2.5 | 4.3 | 3.4 | 3.1 | 0.9 |
| | | | | | |
| E. Financing | (2.5) | (4.3) | (3.4) | (3.1) | (0.9) |
| External Loans | - | - | - | - | - |
| Internal Loans | 3.2 | 6.7 | 4.3 | 9.2 | 3.3 |
| Opening Cash Balance | 30.4 | (36.2) | 25.1 | (32.8) | 0.9 |
| Other Funds 6/ | (36.2) | 25.1 | (32.8) | 20.4 | (5.2) |

1/ Revised
2/ Provisional
3/ Gross
4/ Includes other non-statutory allocations
5/ in 2011 represents share of difference between Provisional Distribution and Actual Budget & in 2012 Recovery of Understated Revenue

Sources: Federal Ministry of Finance, Office of the Accountant General of the Federation and Staff Estimates

## Table 31
## Summary of Local Governments' Finances, (State-By-State, 2014) 1/
## (N' Billion)

| S/N | STATES | REVENUE & OTHER RECEIPTS | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Gross Statutory Allocation 2/ | Share of Excess Oil Revenue | Share of Excess Non-Oil Revenue | SURE-P | Exchange Gain | VAT | Internally Gen. Rev. (IGR) Tax | Non-Tax | Sub-Total | State Allocation | NNPC refund | Additional Funds | Grants and Others 3/ | TOTAL |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 1 | Abia | 23.35 | 0.28 | 0.99 | 1.59 | 0.02 | 4.69 | 0.09 | 0.15 | 0.2 | - | 0.56 | 0.12 | - | 31.83 |
| 2 | Adamawa | 29.46 | 0.36 | 1.24 | 2.00 | 0.03 | 5.57 | 1.74 | 0.56 | 2.3 | 0.02 | 0.71 | 0.15 | 0.63 | 42.47 |
| 3 | Akwa Ibom | 39.23 | 0.48 | 1.66 | 2.67 | 0.00 | 7.80 | 0.34 | 0.30 | 0.6 | 0.12 | 0.93 | 0.20 | - | 53.73 |
| 4 | Anambra | 29.61 | 0.36 | 1.25 | 2.01 | 0.03 | 6.22 | 0.10 | 0.16 | 0.3 | - | 0.73 | 0.15 | 0.07 | 40.69 |
| 5 | Bauchi | 33.62 | 0.41 | 1.42 | 2.28 | 0.03 | 6.26 | 0.12 | 0.28 | 0.4 | 0.05 | 0.79 | 0.17 | 0.92 | 46.34 |
| 6 | Bayelsa | 13.68 | 0.17 | 0.58 | 0.93 | 0.01 | 2.82 | 0.14 | 0.14 | 0.3 | - | 0.33 | 0.07 | - | 18.87 |
| 7 | Benue | 36.58 | 0.44 | 1.55 | 2.49 | 0.04 | 6.49 | 0.20 | 0.27 | 0.5 | - | 0.87 | 0.18 | 0.08 | 49.18 |
| 8 | Borno | 39.72 | 0.48 | 1.68 | 2.70 | 0.04 | 7.13 | 0.36 | 0.58 | 0.9 | - | 0.94 | 0.20 | - | 53.82 |
| 9 | Cross River | 25.60 | 0.31 | 1.08 | 1.74 | 0.03 | 4.99 | 0.26 | 0.41 | 0.7 | - | 0.64 | 0.13 | - | 35.19 |
| 10 | Delta | 32.81 | 0.40 | 1.39 | 2.23 | 0.03 | 7.17 | 0.48 | 1.23 | 1.7 | 0.83 | 0.80 | 0.16 | - | 47.54 |
| 11 | Ebonyi | 18.94 | 0.23 | 0.80 | 1.29 | 0.02 | 3.67 | 0.21 | 0.43 | 0.6 | - | 0.45 | 0.09 | - | 26.12 |
| 12 | Edo | 25.10 | 0.30 | 1.06 | 1.71 | 0.02 | 5.24 | 0.26 | 0.86 | 1.1 | - | 0.63 | 0.13 | - | 35.32 |
| 13 | Ekiti | 19.93 | 0.24 | 0.84 | 1.35 | 0.02 | 4.20 | 0.12 | 0.35 | 0.5 | 0.01 | 0.49 | 0.10 | 1.26 | 28.91 |
| 14 | Enugu | 25.50 | 0.31 | 1.08 | 1.73 | 0.02 | 5.03 | 1.34 | 0.28 | 1.6 | - | 0.59 | 0.13 | 0.10 | 36.12 |
| 15 | Gombe | 17.48 | 0.21 | 0.74 | 1.19 | 0.02 | 3.30 | 0.21 | 0.58 | 0.8 | - | 0.42 | 0.09 | - | 24.22 |
| 16 | Imo | 34.18 | 0.41 | 1.44 | 2.32 | 0.03 | 7.02 | 0.09 | 0.09 | 0.2 | - | 0.81 | 0.17 | 0.00 | 46.57 |
| 17 | Jigawa | 35.91 | 0.43 | 1.52 | 2.44 | 0.04 | 7.51 | 0.20 | 0.12 | 0.3 | 0.03 | 0.85 | 0.18 | 0.33 | 49.56 |
| 18 | Kaduna | 40.39 | 0.49 | 1.71 | 2.74 | 0.04 | 7.68 | 0.15 | 0.94 | 1.1 | 0.28 | 0.97 | 0.20 | 0.31 | 55.91 |
| 19 | Kano | 64.30 | 0.78 | 2.72 | 4.37 | 0.06 | 13.68 | 0.67 | 0.68 | 1.3 | 0.21 | 1.49 | 0.32 | 1.34 | 90.62 |
| 20 | Katsina | 48.95 | 0.59 | 2.07 | 3.33 | 0.05 | 9.35 | 0.46 | 1.10 | 1.6 | 0.02 | 1.14 | 0.24 | 0.53 | 67.83 |
| 21 | Kebbi | 30.89 | 0.37 | 1.31 | 2.10 | 0.03 | 5.68 | 0.74 | 1.02 | 1.8 | 0.16 | 0.71 | 0.15 | 0.28 | 43.46 |
| 22 | Kogi | 31.93 | 0.39 | 1.35 | 2.17 | 0.03 | 5.63 | 0.12 | 0.17 | 0.3 | 0.01 | 0.73 | 0.16 | 0.15 | 42.84 |
| 23 | Kwara | 22.59 | 0.27 | 0.95 | 1.54 | 0.02 | 4.21 | 0.11 | 0.40 | 0.5 | 0.28 | 0.57 | 0.11 | - | 31.07 |
| 24 | Lagos | 38.49 | 0.47 | 1.63 | 2.62 | 0.04 | 41.86 | 1.69 | 2.19 | 3.9 | 0.00 | 0.97 | 0.19 | 1.82 | 91.95 |
| 25 | Nassarawa | 20.16 | 0.24 | 0.85 | 1.37 | 0.02 | 3.42 | 0.23 | 0.22 | 0.4 | - | 0.47 | 0.10 | 0.48 | 27.55 |
| 26 | Niger | 37.31 | 0.45 | 1.58 | 2.54 | 0.04 | 6.68 | 0.38 | 0.70 | 1.1 | 0.23 | 0.90 | 0.19 | 1.18 | 52.15 |
| 27 | Ogun | 26.62 | 0.32 | 1.12 | 1.81 | 0.03 | 5.73 | 0.60 | 0.98 | 1.6 | - | 0.67 | 0.13 | 0.06 | 38.07 |
| 28 | Ondo | 25.42 | 0.31 | 1.07 | 1.73 | 0.02 | 5.17 | 0.34 | 0.09 | 0.4 | - | 0.61 | 0.13 | 0.02 | 34.91 |
| 29 | Osun | 34.43 | 0.42 | 1.45 | 2.34 | 0.03 | 7.32 | 0.19 | 0.14 | 0.3 | 0.47 | 0.84 | 0.17 | 0.01 | 47.82 |
| 30 | Oyo | 43.44 | 0.53 | 1.84 | 2.95 | 0.04 | 9.16 | 0.17 | 0.56 | 0.7 | 1.15 | 1.05 | 0.22 | 0.01 | 61.10 |
| 31 | Plateau | 27.23 | 0.33 | 1.15 | 1.85 | 0.03 | 5.11 | 0.17 | 0.15 | 0.3 | - | 0.63 | 0.14 | - | 36.79 |
| 32 | Rivers | 33.75 | 0.41 | 1.43 | 2.29 | 0.03 | 8.99 | 0.67 | 0.37 | 1.0 | - | 0.81 | 0.17 | 0.01 | 48.92 |
| 33 | Sokoto | 33.99 | 0.41 | 1.44 | 2.31 | 0.03 | 6.34 | 1.18 | 0.18 | 1.4 | - | 0.79 | 0.17 | - | 46.84 |
| 34 | Taraba | 25.48 | 0.31 | 1.08 | 1.73 | 0.02 | 4.16 | 0.75 | 0.54 | 1.3 | 0.02 | 0.61 | 0.13 | 0.49 | 35.32 |
| 35 | Yobe | 25.62 | 0.31 | 1.08 | 1.74 | 0.03 | 4.37 | 1.38 | 1.04 | 2.4 | 0.16 | 0.61 | 0.13 | 0.99 | 37.46 |
| 36 | Zamfara | 23.15 | 0.28 | 0.98 | 1.57 | 0.02 | 4.35 | 0.32 | 0.44 | 0.8 | - | 0.54 | 0.12 | - | 31.76 |
| 37 | FCT | 10.22 | 0.12 | 0.43 | 0.69 | 0.01 | 12.86 | 0.08 | 1.15 | 1.2 | 0.06 | 0.24 | 0.05 | 0.01 | 25.93 |
| | TOTAL | 1,125.1 | 13.6 | 47.5 | 76.5 | 1.1 | 266.9 | 16.6 | 19.8 | 36.5 | 4.1 | 26.9 | 5.6 | 11.1 | 1,614.8 |

1/ Provisional
2/ Gross
3/ Including other non-statutory allocations
4/ Positive (+) sign connotes decrease while (-) sign connotes increase in funds

Source: Federal Ministry of Finance, Office of the Accountant General of the Federation, CBN/NBS/NCC Collaborative Survey and Staff Estimates

# Table 31 Cont'd
## Summary of Local Governments' Finances (State-by-State, 2014) 1/
## (N' Billion)

| EXPENDITURE & TRANSFERS | | | | | | | BALANCE | | FINANCING | | | | | | OUTSTANDING DEBT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| RECURRENT | | | | | | TOTAL EXPENDITURE | | | | LOANS | | | | | | | |
| Personnel Cost | Overhead Cost | CRFC | Others | SUB-TOTAL | CAPITAL | | Current | Overall | OPENING BALANCE | Internal | External | Sub-Total | OTHER FUNDS 4/ | TOTAL | Domestic | Foreign | TOTAL |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 |
| 25.98 | 1.47 | 0.03 | 0.78 | 28.3 | 1.88 | 30.1 | 3.6 | 1.7 | (0.25) | - | - | - | (0.95) | (1.2) | - | - | - |
| 20.54 | 12.88 | 3.37 | 2.05 | 38.84 | 5.25 | 44.09 | 3.63 | (1.62) | (0.15) | 0.66 | - | 0.66 | (0.12) | 0.39 | 0.50 | - | 0.50 |
| 29.30 | 3.51 | 0.06 | 8.71 | 41.6 | 8.36 | 50.0 | 12.1 | 3.8 | (0.79) | - | - | - | (0.45) | (1.2) | - | - | - |
| 23.58 | 4.16 | 1.27 | 2.75 | 31.77 | 6.23 | 38.00 | 8.93 | 2.69 | (0.04) | 0.00 | - | 0.00 | (0.39) | (0.43) | - | - | - |
| 37.54 | 2.54 | 0.22 | 4.53 | 44.83 | 1.52 | 46.36 | 1.51 | (0.01) | 0.02 | - | - | - | (0.10) | (0.08) | - | - | - |
| 11.79 | 2.47 | 1.08 | 0.70 | 16.0 | 2.31 | 18.4 | 2.8 | 0.5 | 0.00 | 0.14 | - | 0.1 | 0.00 | 0.1 | - | - | - |
| 35.81 | 7.63 | 2.16 | 2.16 | 47.77 | 2.06 | 49.83 | 1.42 | (0.65) | (0.04) | 0.15 | - | 0.15 | (0.90) | (0.80) | 1.57 | - | 1.57 |
| 35.69 | 8.10 | 0.72 | 1.62 | 46.1 | 7.33 | 53.5 | 7.7 | 0.4 | (0.68) | - | - | - | (2.70) | (3.4) | - | - | - |
| 23.44 | 1.74 | 1.85 | 3.51 | 30.54 | 3.71 | 34.25 | 4.65 | 0.94 | (0.07) | 0.31 | - | 0.31 | (1.19) | (0.96) | - | - | - |
| 42.92 | 6.69 | 0.06 | 1.93 | 51.60 | 3.52 | 55.12 | (4.06) | (7.58) | (0.28) | 0.06 | - | 0.06 | (1.06) | (1.28) | 0.52 | - | 0.52 |
| 13.38 | 4.36 | 0.36 | 2.23 | 20.3 | 6.95 | 27.3 | 5.8 | (1.2) | (0.07) | - | - | - | (1.30) | (1.4) | - | - | - |
| 22.85 | 4.44 | 0.37 | 2.39 | 30.05 | 4.18 | 34.23 | 5.27 | 1.09 | (0.11) | 0.40 | - | 0.40 | (0.58) | (0.29) | - | - | - |
| 24.50 | 1.79 | - | 0.48 | 26.8 | 1.69 | 28.5 | 2.1 | 0.5 | (0.02) | - | - | - | (0.47) | (0.5) | 0.39 | - | 0.39 |
| 20.06 | 4.02 | 0.32 | 4.75 | 29.15 | 6.19 | 35.34 | 6.97 | 0.78 | 0.02 | 0.25 | - | 0.25 | (0.36) | (0.09) | 16.32 | - | 16.32 |
| 13.85 | 6.42 | 0.20 | 2.46 | 22.94 | 3.46 | 26.40 | 1.28 | (2.18) | (0.02) | - | - | - | (0.02) | (0.03) | 0.91 | - | 0.91 |
| 39.22 | 2.06 | 1.62 | 0.68 | 43.6 | 1.34 | 44.9 | 3.0 | 1.6 | (0.12) | - | - | - | (1.09) | (1.2) | 3.44 | - | 3.44 |
| 25.05 | 9.58 | 3.33 | 4.62 | 42.58 | 8.95 | 51.53 | 6.98 | (1.97) | (0.02) | - | - | - | (0.01) | (0.02) | - | - | - |
| 49.04 | 5.61 | 0.15 | 2.59 | 57.39 | 3.37 | 60.75 | (1.48) | (4.85) | (0.07) | - | - | - | (1.41) | (1.48) | 1.19 | - | 1.19 |
| 62.39 | 16.50 | 2.20 | 6.15 | 87.2 | 8.77 | 96.0 | 3.4 | (5.4) | (0.00) | - | - | - | 0.03 | 0.0 | 0.05 | - | 0.05 |
| 40.00 | 6.70 | 8.61 | 3.18 | 58.48 | 7.78 | 66.26 | 9.34 | 1.57 | (0.18) | 0.01 | - | 0.01 | (0.35) | (0.52) | 0.50 | - | 0.50 |
| 21.02 | 2.20 | 6.02 | 2.87 | 32.1 | 12.56 | 44.7 | 11.3 | (1.2) | (0.27) | - | - | - | (1.29) | (1.6) | 4.08 | - | 4.08 |
| 31.68 | 3.57 | 0.11 | 2.35 | 37.72 | 3.24 | 40.96 | 5.12 | 1.88 | (0.09) | 0.25 | - | 0.25 | (1.18) | (1.02) | 0.46 | - | 0.46 |
| 23.25 | 2.14 | 0.80 | 5.67 | 31.86 | 1.05 | 32.91 | (0.79) | (1.84) | (0.03) | 0.05 | - | 0.05 | (0.25) | (0.23) | - | - | - |
| 54.42 | 10.01 | 6.21 | 0.85 | 71.5 | 13.30 | 84.8 | 20.5 | 7.2 | - | 0.07 | - | 0.1 | (0.58) | (0.5) | - | - | - |
| 19.02 | 0.90 | 0.49 | 2.63 | 23.04 | 5.11 | 28.15 | 4.52 | (0.60) | (0.10) | - | - | - | (0.38) | (0.48) | 1.33 | - | 1.33 |
| 32.52 | 3.50 | 8.03 | 1.04 | 45.1 | 5.03 | 50.1 | 7.1 | 2.0 | (0.05) | - | - | - | 0.03 | (0.0) | - | - | - |
| 35.12 | 2.02 | 0.12 | 0.99 | 38.25 | 1.06 | 39.32 | (0.18) | (1.24) | 0.00 | 0.25 | - | 0.25 | (0.21) | 0.04 | 0.97 | - | 0.97 |
| 30.46 | 0.74 | 0.05 | 2.55 | 33.80 | 2.04 | 35.84 | 1.10 | (0.94) | (0.25) | - | - | - | (0.71) | (0.96) | - | - | - |
| 34.23 | 3.95 | - | 5.30 | 43.5 | 2.29 | 45.76 | 4.3 | 2.1 | 0.02 | - | - | - | (0.20) | (0.2) | - | - | - |
| 38.03 | 6.18 | 0.85 | 7.15 | 52.21 | 8.10 | 60.32 | 8.89 | 0.79 | (0.14) | 0.03 | - | 0.03 | 3.87 | 3.75 | 7.44 | - | 7.44 |
| 25.75 | 3.36 | 1.01 | 1.34 | 31.5 | 3.17 | 34.6 | 5.3 | 2.2 | 1.04 | 0.01 | - | 0.0 | 1.26 | 2.3 | - | - | - |
| 33.64 | 10.82 | 0.32 | 1.49 | 46.27 | 4.85 | 51.12 | 2.65 | (2.19) | 0.18 | 0.02 | - | 0.02 | (0.51) | (0.31) | - | - | - |
| 26.19 | 3.82 | 4.17 | 2.56 | 36.73 | 8.92 | 45.65 | 10.11 | 1.19 | 2.31 | - | - | - | 10.93 | 13.24 | - | - | - |
| 21.38 | 6.67 | 0.29 | 1.41 | 29.7 | 6.28 | 36.0 | 5.6 | (0.7) | 0.48 | 0.07 | - | 0.1 | 0.38 | 0.9 | - | - | - |
| 24.49 | 3.25 | 1.37 | 1.02 | 30.13 | 6.20 | 36.33 | 7.33 | 1.13 | 1.01 | - | - | - | (1.35) | (0.35) | - | - | - |
| 17.49 | 4.75 | 2.11 | 7.27 | 31.62 | 1.00 | 32.62 | 0.14 | (0.86) | (0.26) | - | - | - | (1.12) | (1.38) | 0.01 | - | 0.01 |
| 16.93 | 2.40 | 0.43 | 2.01 | 21.8 | 2.3 | 24.0 | 4.2 | 1.9 | (0.06) | 0.65 | - | 0.7 | (0.50) | 0.1 | - | - | - |
| 1,082.5 | 183.0 | 60.4 | 106.7 | 1,432.6 | 181.3 | 1,613.9 | 182.2 | 0.9 | 0.9 | 3.3 | - | 3.3 | (5.2) | (0.9) | 39.7 | - | 39.7 |

1/ Provisional
2/ Gross
3/ Including other non-statutory allocations
4/ Positive (+) sign connotes decrease while (-) sign connotes increase in funds

**Source:** Federal Ministry of Finance, Office of the Accountant General of the Federation, CBN/NBS/NCC Collaborative Survey and Staff Estimates

**Table 32**
**Local Governments' Expenditure on Selected Primary Welfare Sectors**
**(N' Billion)**

| | 2013 | | | 2014 | | |
|---|---|---|---|---|---|---|
| | Recurrent | Capital | Total | Recurrent | Capital | Total |
| Education | 563.3 | 24.1 | 587.4 | 528.8 | 11.8 | 540.6 |
| Health | 126.0 | 19.0 | 145.0 | 56.4 | 10.4 | 66.8 |
| Agriculture | 30.7 | 19.1 | 49.8 | 15.3 | 9.2 | 24.5 |
| Water Supply | 13.3 | 10.8 | 24.1 | 4.0 | 2.2 | 6.2 |
| Housing | 15.0 | 19.5 | 34.5 | 24.4 | 15.6 | 40.1 |
| TOTAL | 748.3 | 92.5 | 840.8 | 628.8 | 49.3 | 678.1 |

Sources: CBN Annual Fiscal Survey and Staff Estimates

## Table 33
## Consolidated Debt of the Federal Government
## (Naira Billion)

| Type | 2010 | 2011 | 2012 | 2013 | 2014 1/ |
|---|---|---|---|---|---|
| **External Debt** | 689.8 | 896.8 | 1,026.9 | 1,387.3 | 1,647.9 |
| **Domestic Debt** | 4,551.8 | 5,622.8 | 6,537.5 | 7,119.0 | 7,904.0 |
| **Total** | **5,241.7** | **6,519.6** | **7,564.4** | **8,506.4** | **9,551.9** |

| Item | 2010 | 2011 | 2012 | 2013 | 2014 1/ |
|---|---|---|---|---|---|
| **COMPOSITION OF DEBT.** | | | | | |
| **Instruments** | | | | | |
| Treasury Bills | 1,277.1 | 1,727.9 | 2,122.9 | 2,581.6 | 2,815.5 |
| Treasury Bonds | 372.9 | 353.7 | 334.6 | 315.4 | 296.2 |
| Development Stocks | 0.2 | - | - | - | - |
| FGN Bonds | 2,901.6 | 3,541.2 | 4,080.0 | 4,222.0 | 4,792.3 |
| Special FGN Bonds | - | - | - | | |
| Promisory Notes 2/ | - | - | - | | |
| | | | | | |
| **HOLDERS** | | | | | |
| Banking System | 3,092.5 | 4,286.0 | 4,139.0 | 4,730.5 | 5,427.0 |
| Central Bank | 343.1 | 348.0 | 398.3 | 544.1 | 529.0 |
| Deposit Money Banks (DMBs) | 2,605.0 | 3,790.8 | 3,580.4 | 3,865.9 | 4,643.3 |
| Sinking Fund | 144.4 | 147.2 | 160.3 | 320.5 | 254.8 |
| Non-Bank Public | 1,459.3 | 1,336.8 | 2,398.5 | 2,388.5 | 2,477.0 |
| | | | | | |
| **TENOR**** | | | | | |
| 2 years and below | 1,995.3 | 3,124.9 | 4,088.9 | 4,784.5 | 4,882.8 |
| 2-5 years | 1,316.8 | 1,064.4 | 751.7 | 569.3 | 1,012.4 |
| 5-10 years | 496.4 | 715.2 | 1,028.6 | 1,131.5 | 1,168.4 |
| Over 10 years | 743.3 | 718.3 | 668.3 | 633.8 | 840.5 |
| **Total Debt Outstanding** | **4,551.8** | **5,622.8** | **6,537.5** | **7,119.0** | **7,904.0** |

** Figures for 2012 have been revised
1/ Provisional
2/ Introduced 30th September, 2009

# Table 34
## External Public Debt Outstanding
## External Debt Stock

| Holder | US $ Million | | | | | Naira Billion | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 1/ | 2010 | 2011 | 2012 | 2013 | 2014 1/ |
| **MULTILATERAL** | **4,217.8** | **4,568.9** | **5,267.4** | **6,275.2** | **6,799.4** | **635.4** | **723.1** | **828.7** | **986.8** | **1,153.8** |
| IBRD | 35.5 | 6.3 | - | - | - | 5.4 | 1.0 | - | - | - |
| IDA | 3,589.8 | 3,936.9 | 4,622.9 | 5,329.5 | 5,858.0 | 540.8 | 623.1 | 727.3 | 838.1 | 994.0 |
| IFAD | 59.8 | 69.3 | 84.3 | 92.2 | 90.6 | 9.0 | 11.0 | 13.3 | 14.5 | 15.4 |
| ADB Group | *412.6* | *434.3* | *438.7* | *732.5* | *736.5* | *62.2* | *68.7* | *69.0* | *115.2* | *125.0* |
| ADB | 100.5 | 53.1 | 32.2 | 161.1 | 150.0 | 15.1 | 8.4 | 5.1 | 25.3 | 25.5 |
| ADF | 312.1 | 381.2 | 406.5 | 571.4 | 586.5 | 47.0 | 60.3 | 63.9 | 89.9 | 99.5 |
| Others 2/ | 120.1 | 122.1 | 121.5 | 121.0 | 114.2 | 18.1 | 19.3 | 19.1 | 19.0 | 19.4 |
| **BILATERAL** | **163.2** | **453.8** | **703.0** | **1,025.7** | **1,412.1** | **24.6** | **71.8** | **110.6** | **161.3** | **239.6** |
| Exim Bank of China | - | - | 683.0 | 966.7 | 1,293.1 | - | - | 107.5 | 152.0 | 219.4 |
| French Devt. Agency (AFD) | - | - | 20.0 | 59.0 | 119.0 | - | - | 3.1 | 9.3 | 20.2 |
| Others 3/ | 163.2 | 453.8 | - | - | - | 24.6 | 71.8 | - | - | - |
| **COMMERCIAL 4/** | 197.8 | 143.8 | 56.6 | 21.0 | - | 29.8 | 22.8 | 8.9 | 3.3 | - |
| **EUROBOND** | - | 500.0 | 500.0 | 1,500.0 | 1,500.0 | - | 79.1 | 78.7 | 235.9 | 254.5 |
| **Total Debt Outstanding** | **4,578.8** | **5,666.6** | **6,527.1** | **8,821.9** | **9,711.4** | **689.8** | **896.8** | **1,026.9** | **1,387.3** | **1,647.9** |

### External Debt Service Payments

| Holder | US $ Million | | | | | Naira Billion | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 1/ | 2010 | 2011 | 2012 | 2013 | 2014 1/ |
| **MULTILATERAL** | **212.6** | **172.3** | **126.9** | **143.0** | **152.7** | **32.0** | **26.5** | **20.0** | **22.5** | **24.2** |
| IBRD | 73.3 | 36.8 | 6.9 | - | - | 11.0 | 5.7 | 1.1 | - | - |
| IDA | 47.4 | 63.6 | 77.8 | 96.1 | 114.6 | 7.1 | 9.8 | 12.3 | 15.1 | 18.2 |
| IFAD | 2.1 | 2.0 | 2.8 | 3.5 | 3.6 | 0.3 | 0.3 | 0.4 | 0.5 | 0.6 |
| ADB Group | *82.8* | *62.7* | *33.0* | *36.9* | *26.3* | *12.4* | *9.7* | *5.2* | *5.8* | *4.2* |
| ADB | 76.6 | 55.0 | 25.1 | 23.7 | 12.4 | 11.5 | 8.5 | 3.9 | 3.7 | 2.0 |
| ADF | 6.2 | 7.8 | 7.9 | 13.2 | 13.8 | 0.9 | 1.2 | 1.2 | 2.1 | 2.2 |
| Others 2/ | 7.0 | 7.1 | 6.4 | 6.5 | 8.3 | 1.1 | 1.1 | 1.0 | 1.0 | 1.3 |
| **BILATERAL** | **24.2** | **51.5** | **45.3** | **40.9** | **48.9** | **3.6** | **7.9** | **7.1** | **6.4** | **7.8** |
| Exim Bank of China | 23.5 | 47.0 | 44.6 | 40.8 | 47.1 | 3.5 | 7.2 | 7.0 | 6.4 | 7.5 |
| French Devt. Agency (AFD) | - | - | - | 0.1 | 1.8 | - | - | - | 0.0 | 0.3 |
| Others 3/ | 0.7 | 4.5 | 0.7 | - | - | 0.1 | 0.7 | 0.1 | - | - |
| **COMMERCIAL 4/** | **75.9** | **69.2** | **45.3** | **37.9** | **12.1** | **11.4** | **10.6** | **7.1** | **6.0** | **1.9** |
| **EUROBOND** | **-** | **16.9** | **33.8** | **33.8** | **91.3** | **-** | **2.6** | **5.3** | **5.3** | **14.5** |
| **OTHERS 5/** | **41.7** | **41.7** | **41.7** | **41.7** | **41.7** | **6.3** | **6.4** | **6.6** | **6.6** | **6.6** |
| **Total Debt Service Payments** | **354.4** | **351.6** | **293.0** | **297.3** | **346.7** | **53.3** | **54.1** | **46.1** | **46.8** | **55.0** |

1/ Provisional
2/ Includes ABEDA, IDB and EDF
3/ Exim Bank of Korea and Nig. ICT Infrast. Backbone Project.
4/ Includes Papalanto &Omotosho, ZTE, Arcatel and SBI Holdings.
5/ Includes Bank of England and CITIbank Lazards agency fees and Oil warrants

**Source:** Debt Management Office

# Table 35
## Gross Domestic Product at 2010 Constant Basic Prices
## (Naira Billion, unless otherwise stated)

| Activity Sector | 2010 | 2011 | 2012 | 2013 | 2014 /1 | Percentage Share in Total Real GDP (%) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | 2010 | 2011 | 2012 | 2013 | 2014 /1 |
| **1. Agriculture** | **13,048.89** | **13,429.38** | **14,329.71** | **14,750.52** | **15,380.39** | **23.89** | **23.35** | **23.91** | **23.33** | **22.90** |
| (a) Crop Production | 11,683.90 | 12,017.19 | 12,919.54 | 13,247.80 | 13,793.45 | 21.39 | 20.90 | 21.56 | 20.96 | 20.54 |
| (b) Livestock | 979.56 | 999.40 | 972.76 | 1,030.94 | 1,086.85 | 1.79 | 1.74 | 1.62 | 1.63 | 1.62 |
| (c) Forestry | 135.72 | 142.46 | 146.09 | 154.31 | 161.34 | 0.25 | 0.25 | 0.24 | 0.24 | 0.24 |
| (d) Fishing | 249.71 | 270.32 | 291.31 | 317.47 | 338.75 | 0.46 | 0.47 | 0.49 | 0.50 | 0.50 |
| **2. Industry** | **12,033.20** | **12,874.25** | **13,028.05** | **13,014.51** | **13,791.25** | **22.03** | **22.39** | **21.74** | **20.59** | **20.54** |
| (a) Crude Petroleum & Natural Gas | 8,402.68 | 8,598.64 | 8,173.26 | 7,105.28 | 7,011.81 | 15.39 | 14.95 | 13.64 | 11.24 | 10.44 |
| (b) Solid Minerals | 51.88 | 59.42 | 71.13 | 82.87 | 95.21 | 0.09 | 0.10 | 0.12 | 0.13 | 0.14 |
| (c) Manufacturing | 3,578.64 | 4,216.19 | 4,783.66 | 5,826.36 | 6,684.22 | 6.55 | 7.33 | 7.98 | 9.22 | 9.95 |
| **3. Construction** | **1,570.97** | **1,817.83** | **1,989.46** | **2,272.38** | **2,568.46** | **2.88** | **3.16** | **3.32** | **3.59** | **3.82** |
| **4. Trade** | **8,992.65** | **9,640.90** | **9,853.68** | **10,507.90** | **11,125.80** | **16.47** | **16.76** | **16.44** | **16.62** | **16.57** |
| **5. Services** | **18,966.55** | **19,748.68** | **20,729.00** | **22,673.41** | **24,286.89** | **34.73** | **34.34** | **34.59** | **35.87** | **36.17** |
| (a) Transport | 694.77 | 736.24 | 711.08 | 738.08 | 770.69 | 1.27 | 1.28 | 1.19 | 1.17 | 1.15 |
| (b) Information and Communication | 5,955.06 | 6,083.05 | 6,268.51 | 6,783.07 | 7,257.06 | 10.90 | 10.58 | 10.46 | 10.73 | 10.81 |
| (c) Utilities | 222.26 | 294.55 | 332.94 | 395.58 | 382.44 | 0.41 | 0.51 | 0.56 | 0.63 | 0.57 |
| (d) Accommodation and Food Services | 245.76 | 268.42 | 310.95 | 540.63 | 639.71 | 0.45 | 0.47 | 0.52 | 0.86 | 0.95 |
| (e) Finance & Insurance | 1,908.81 | 1,394.70 | 1,687.91 | 1,833.65 | 1,982.67 | 3.50 | 2.43 | 2.82 | 2.90 | 2.95 |
| (f) Real Estate | 4,127.99 | 4,145.87 | 4,379.94 | 4,904.64 | 5,155.73 | 7.56 | 7.21 | 7.31 | 7.76 | 7.68 |
| (g) Professional, Scientific & Technical Services | 1,711.70 | 2,031.47 | 2,190.07 | 2,265.11 | 2,390.44 | 3.13 | 3.53 | 3.65 | 3.58 | 3.56 |
| (h) Adnimistrative and Support Services Bussiness Services | 13.14 | 13.82 | 13.37 | 13.72 | 13.98 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 |
| (i) Public Administration | 1,998.47 | 2,307.38 | 1,838.73 | 1,828.84 | 1,874.94 | 3.66 | 4.01 | 3.07 | 2.89 | 2.79 |
| (j) Education | 826.67 | 1,087.67 | 1,105.90 | 1,278.41 | 1,391.95 | 1.51 | 1.89 | 1.85 | 2.02 | 2.07 |
| (k) Human Health & Social Services | 330.96 | 374.12 | 390.30 | 427.72 | 472.63 | 0.61 | 0.65 | 0.65 | 0.68 | 0.70 |
| (l) Arts, Entertainment & Recreation | 30.93 | 76.81 | 97.83 | 112.44 | 129.18 | 0.06 | 0.13 | 0.16 | 0.18 | 0.19 |
| (m) Other Services | 900.02 | 934.60 | 1,401.47 | 1,551.53 | 1,825.45 | 1.65 | 1.63 | 2.34 | 2.45 | 2.72 |
| **TOTAL (GDP)** | **54,612.26** | **57,511.04** | **59,929.89** | **63,218.72** | **67,152.79** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** |
| **NON-OIL (GDP)** | **46,209.59** | **48,912.41** | **51,756.64** | **56,113.44** | **60,140.97** | **84.61** | **85.05** | **86.36** | **88.76** | **89.56** |
| **TOTAL GDP GROWTH RATE (%)** | | **5.31** | **4.21** | **5.49** | **6.22** | | | | | |
| **OIL GDP GROWTH RATE (%)** | | **2.33** | **(4.95)** | **(13.07)** | **(1.32)** | | | | | |
| **NON-OIL GDP GROWTH RATE (%)** | | **5.85** | **5.81** | **8.42** | **7.18** | | | | | |
| **Growths in Total GDP** | | | | | | | | | | |
| ***Agriculture (%)*** | | **2.92** | **6.70** | **2.94** | **4.27** | | | | | |
| ***Industry (%)*** | | **6.99** | **1.19** | **(0.10)** | **5.97** | | | | | |
| ***Services (%)*** | | **4.12** | **4.96** | **9.38** | **7.12** | | | | | |
| ***Finance & Insurance (%)*** | | **(26.93)** | **21.02** | **8.63** | **8.13** | | | | | |
| ***Manufacturing (%)*** | | **17.82** | **13.46** | **21.80** | **14.72** | | | | | |
| ***Solid Minerals (%)*** | | **14.54** | **19.71** | **16.50** | **14.90** | | | | | |
| ***Information and Communication (%)*** | | **2.15** | **3.05** | **8.21** | **6.99** | | | | | |

/1 Provisional
Source: National Bureau of Statistics (NBS)

# Table 36
## Gross Domestic Product at Current Basic Prices
## (Naira Billion, unless otherwise stated)

| Activity Sector | 2010 | 2011 | 2012 | 2013 | 2014 /1 | Percentage Share in Total Real GDP (%) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | 2010 | 2011 | 2012 | 2013 | 2014 /1 |
| **1. Agriculture** | **13,048.89** | **14,037.83** | **15,816.00** | **16,816.55** | **18,018.61** | **23.89** | **22.29** | **22.05** | **21.00** | **20.24** |
| (a) Crop Production | 11,683.90 | 12,484.85 | 14,071.24 | 14,862.32 | 15,812.57 | 21.39 | 19.82 | 19.62 | 18.56 | 17.76 |
| (b) Livestock | 979.56 | 1,115.60 | 1,251.93 | 1,399.48 | 1,573.05 | 1.79 | 1.77 | 1.75 | 1.75 | 1.77 |
| (c) Forestry | 135.72 | 153.05 | 170.16 | 187.95 | 207.74 | 0.25 | 0.24 | 0.24 | 0.23 | 0.23 |
| (d) Fishing | 249.71 | 284.33 | 322.67 | 366.79 | 425.25 | 0.46 | 0.45 | 0.45 | 0.46 | 0.48 |
| **2. Industry** | **12,033.20** | **15,626.42** | **16,975.34** | **17,614.29** | **18,402.19** | **22.03** | **24.81** | **23.67** | **21.99** | **20.67** |
| (a) Crude Petroleum & Natural Gas | 8,402.68 | 11,039.41 | 11,315.03 | 10,296.33 | 9,616.49 | 15.39 | 17.53 | 15.78 | 12.86 | 10.80 |
| (b) Solid Minerals | 51.88 | 59.57 | 71.49 | 84.64 | 100.27 | 0.09 | 0.09 | 0.10 | 0.11 | 0.11 |
| (c) Manufacturing | 3,578.64 | 4,527.45 | 5,588.82 | 7,233.32 | 8,685.43 | 6.55 | 7.19 | 7.79 | 9.03 | 9.75 |
| **3. Construction** | **1,570.97** | **1,905.57** | **2,188.72** | **2,676.28** | **3,188.82** | **2.88** | **3.03** | **3.05** | **3.34** | **3.58** |
| **4. Trade** | **8,992.65** | **10,325.57** | **11,843.53** | **13,702.84** | **15,704.13** | **16.47** | **16.39** | **16.51** | **17.11** | **17.64** |
| **5. Services** | **18,966.55** | **21,085.01** | **24,890.35** | **29,282.60** | **33,729.86** | **34.73** | **33.48** | **34.71** | **36.56** | **37.88** |
| (a) Transport | 694.77 | 779.35 | 917.32 | 1,051.22 | 1,197.44 | 1.27 | 1.24 | 1.28 | 1.31 | 1.34 |
| (b) Information and Communication | 5,955.06 | 6,379.56 | 7,266.72 | 8,359.41 | 9,588.58 | 10.90 | 10.13 | 10.13 | 10.44 | 10.77 |
| (c) Utilities | 222.26 | 321.12 | 423.66 | 563.27 | 621.99 | 0.41 | 0.51 | 0.59 | 0.70 | 0.70 |
| (d) Accommodation and Food Services | 245.76 | 283.38 | 353.22 | 648.39 | 819.78 | 0.45 | 0.45 | 0.49 | 0.81 | 0.92 |
| (e) Finance & Insurance | 1,908.81 | 1,493.74 | 2,028.76 | 2,391.17 | 2,791.39 | 3.50 | 2.37 | 2.83 | 2.99 | 3.13 |
| (f) Real Estate | 4,127.99 | 4,584.96 | 5,545.00 | 6,677.10 | 7,475.54 | 7.56 | 7.28 | 7.73 | 8.34 | 8.40 |
| (g) Professional, Scientific & Technical Services | 1,711.70 | 2,175.73 | 2,632.34 | 2,953.82 | 3,401.55 | 3.13 | 3.45 | 3.67 | 3.69 | 3.82 |
| (h) Adnimistrative and Support Services Bussiness Services | 13.14 | 14.81 | 16.07 | 17.89 | 19.72 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 |
| (i) Public Administration | 1,998.47 | 2,471.24 | 2,210.05 | 2,384.90 | 2,644.23 | 3.66 | 3.92 | 3.08 | 2.98 | 2.97 |
| (j) Education | 826.67 | 1,110.72 | 1,252.72 | 1,549.93 | 1,804.40 | 1.51 | 1.76 | 1.75 | 1.94 | 2.03 |
| (k) Human Health & Social Services | 330.96 | 387.19 | 442.94 | 518.74 | 615.03 | 0.61 | 0.61 | 0.62 | 0.65 | 0.69 |
| (l) Arts, Entertainment & Recreation | 30.93 | 82.23 | 117.08 | 143.49 | 176.99 | 0.06 | 0.13 | 0.16 | 0.18 | 0.20 |
| (m) Other Services | 900.02 | 1,000.97 | 1,684.48 | 2,023.27 | 2,573.21 | 1.65 | 1.59 | 2.35 | 2.53 | 2.89 |
| **TOTAL (GDP)** | **54,612.3** | **62,980.4** | **71,713.9** | **80,092.56** | **89,043.62** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** |
| **NON-OIL (GDP)** | **46,209.59** | **51,940.99** | **60,398.90** | **69,796.24** | **79,427.13** | **84.61** | **82.47** | **84.22** | **87.14** | **89.20** |
| **TOTAL GDP GROWTH RATE (%)** | | **15.32** | **13.87** | **11.68** | **11.18** | | | | | |
| **OIL GDP GROWTH RATE (%)** | | **31.38** | **2.50** | **(9.00)** | **(6.60)** | | | | | |
| **NON-OIL GDP GROWTH RATE (%)** | | **12.40** | **16.28** | **15.56** | **13.80** | | | | | |
| **Growths in Total GDP** | | | | | | | | | | |
| ***Agriculture (%)*** | | **7.58** | **12.67** | **6.33** | **7.15** | | | | | |
| ***Industry (%)*** | | **29.86** | **8.63** | **3.76** | **4.47** | | | | | |
| ***Services (%)*** | | **11.17** | **18.05** | **17.65** | **15.19** | | | | | |
| ***Finance & Insurance (%)*** | | **(21.74)** | **35.82** | **17.86** | **16.74** | | | | | |
| ***Manufacturing (%)*** | | **26.51** | **23.44** | **29.42** | **20.08** | | | | | |
| ***Solid Minerals (%)*** | | **14.83** | **20.01** | **18.40** | **18.46** | | | | | |
| ***Information and Communication (%)*** | | **7.13** | **13.91** | **15.04** | **14.70** | | | | | |

/1 Provisional
Source: National Bureau of Statistics (NBS)

## Table 37
## Gross Domestic Product at 2010 Purchasers' Price 1/
## (Expenditure Approach)
## (Naira Billion)

| COMPONENT | 2010 | 2011 | 2012 | 2013 | 2014 /1 |
|---|---|---|---|---|---|
| | | | | | |
| **Domestic demand** | **50,692.11** | **49,034.90** | **49,151.77** | **56,813.59** | **59,191.75** |
| Private Consumption Expenditure | 36,676.90 | 35,555.99 | 35,558.00 | 43,048.29 | **43,926.50** |
| Government Final Expenditure | 4,832.15 | 5,053.15 | 4,953.00 | 4,444.95 | **4,694.78** |
| Gross Fixed Capital Formation | 9,183.06 | 8,425.76 | 8,640.77 | 9,320.35 | **10,570.47** |
| | | | | | |
| **Increase in Stocks** | **408.00** | **406.17** | **487.90** | **521.87** | **548.62** |
| | | | | | |
| **Net Export of Goods and Non-Factor Service** | **4,369.24** | **8,739.28** | **11,030.38** | **6,607.39** | **8,237.09** |
| Export of Goods and Non-Factor Services | 14,013.84 | 17,628.39 | 16,995.71 | 13,301.44 | **15,380.81** |
| Less Import of Goods and Non-Factor Services | 9,644.61 | 8,889.11 | 5,965.33 | 6,694.05 | **7,143.72** |
| | | | | | |
| **Gross Domestic Product (At 2010 Purchasers' Prices)** | **55,469.35** | **58,180.35** | **60,670.05** | **63,942.85** | **67,977.46** |

1/ Provisional
Source: NBS

## Table 38
## Gross Domestic Product at Current Purchasers' Price
## (Expenditure Approach)
## (Naira Billion)

| COMPONENT | 2010 | 2011 | 2012 | 2013 | 2014 /1 |
|---|---|---|---|---|---|
| | | | | | |
| **Domestic demand** | **50,692.11** | **56,995.71** | **58,629.64** | **76,322.62** | **84,168.73** |
| Private Consumption Expenditure | 36,676.90 | 41,686.51 | 42,394.48 | 59,048.10 | 63,935.58 |
| Government Final Consumption Expenditure | 4,832.15 | 5,412.01 | 5,953.21 | 5,796.44 | 6,639.38 |
| Gross Fixed Capital Formation | 9,183.06 | 9,897.20 | 10,281.95 | 11,478.08 | 13,593.78 |
| | | | | | |
| **Increase in Stocks** | **408.00** | **432.00** | **540.98** | **595.57** | **648.24** |
| | | | | | |
| **Net Export of Goods and Non-Factor Service** | **4,369.24** | **6,285.65** | **13,429.01** | **4,091.78** | **5,320.01** |
| Export of Goods and Non-Factor Services | 14,013.84 | 19,961.27 | 22,824.41 | 14,622.22 | 16,620.80 |
| Less Import of Goods and Non-Factor Services | 9,644.61 | 13,675.63 | 9,395.40 | 10,530.45 | 11,300.78 |
| | | | | | |
| **Gross Domestic Product (At Current Purchasers' Prices)** | **55,469.35** | **63,713.36** | **72,599.63** | **81,009.96** | **90,136.98** |

1/ Provisional
Source: NBS

## Table 39
## National Income at 2010 Constant Market Prices
## (Naira Billion)

| COMPONENT | 2010 | 2011 | 2012 | 2013 | 2014 /1 |
|---|---|---|---|---|---|
| | | | | | |
| **1. Gross Domestic Product** | | | | | |
| **(At Constant Market Prices)** | **55,469.35** | **58,180.35** | **60,670.05** | **63,942.85** | **67,977.46** |
| | | | | | |
| Net Factor Income From Abroad | (2,932.18) | (2,246.49) | (2,197.48) | (2,514.13) | (2,071.39) |
| **LESS** | | | | | |
| Other Current Transfers | 296.27 | 334.47 | 401.33 | 494.44 | 578.53 |
| **2. Gross National Income** | **52,240.90** | **55,599.38** | **58,071.23** | **60,934.28** | **65,327.54** |
| | | | | | |
| **LESS** | | | | | |
| Consumption of Fixed Capital (Depreciation) | 2,450.72 | 2,870.41 | 3,414.16 | 3,255.50 | 3,550.16 |
| **3. Net National Income (Market Prices)** | **49,790.18** | **52,728.97** | **54,657.08** | **57,678.78** | **61,777.38** |

1/ Provisional
Source: NBS

## Table 40
## Index of Agricultural Production By Type of Activity
## (2010=100)

| Sub-Sector | 2010 | 2011 | 2012 | 2013 | 2014 /2 |
|---|---|---|---|---|---|
| **Crops** | 100.0 | 105.7 | 113.6 | 116.5 | 121.3 |
| (a) Staples | 100.0 | 107.3 | 115.1 | 117.8 | 122.7 |
| (b) Other Crops | 100.0 | 106.5 | 114.2 | 116.7 | 122.2 |
| **Livestock** | 100.0 | 106.4 | 106.2 | 112.5 | 118.6 |
| **Fishery** | 100.0 | 105.9 | 114.2 | 124.3 | 132.7 |
| **Forestry** | 100.0 | 105.9 | 108.7 | 114.7 | 120.0 |
| **Aggregate** | **100.0** | **105.7** | **112.8** | **116.1** | **121.0** |

1/ Revised
2/ Provisional
Source: Derived from data compiled by National Bureau of Statistics

## Table 41
## Estimated Output of Major Agricultural Commodities
## ('000 Tonnes, Except Otherwise Stated)

| Item | Area Planted (Million Ha) | | | | | Production ('000 Tonnes) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2010 | 2011 | 2012 | 2013 /1 | 2014 /2 | 2010 | 2011 | 2012 | 2013 /1 | 2014 /2 |
| **Crop Production** | **145,087.51** | **146,644.46** | **164,433.47** | **172,422.38** | **176,215.68** | **167,795.55** | **177,307.42** | **183,990.29** | **188,680.24** | **196,445.00** |
| **Staples** | **135,422.96** | **136,709.39** | **154,203.47** | **160,280.08** | **164,806.20** | **155,064.51** | **163,865.45** | **170,000.23** | **173,880.71** | **181,086.00** |
| Maize | 8,950.30 | 8,102.00 | 8,102.20 | 8,392.15 | 8,443.30 | 14,240.80 | 15,160.89 | 16,199.51 | 16,798.50 | 16,998.12 |
| Millet | 6,100.90 | 5,930.30 | 5,996.80 | 6,167.41 | 6,286.30 | 9,882.00 | 10,400.76 | 10,899.24 | 11,177.23 | 11,297.71 |
| Guineacorn/Sorghum | 9,352.19 | 9,139.72 | 9,042.87 | 9,332.38 | 9,402.40 | 13,849.59 | 14,599.59 | 15,398.57 | 15,904.57 | 16,103.88 |
| Rice | 33,124.20 | 32,756.63 | 47,701.23 | 50,056.79 | 53,456.50 | 5,420.19 | 5,690.19 | 5,971.90 | 6,209.90 | 6,464.73 |
| Wheat | 17.52 | 18.36 | 19.17 | 20.02 | 23.10 | 79.61 | 84.61 | 87.03 | 89.02 | 91.30 |
| Acha | 238.69 | 246.02 | 253.87 | 266.86 | 298.36 | 133.63 | 140.63 | 145.29 | 149.29 | 151.07 |
| Beans/Cowpeas | 11,504.48 | 11,900.94 | 12,313.33 | 13,127.51 | 13,325.00 | 6,146.02 | 6,546.02 | 6,960.60 | 7,180.60 | 7,300.13 |
| Cassava | 5,049.19 | 5,361.62 | 5,654.47 | 5,829.00 | 7,041.70 | 53,056.12 | 56,256.12 | 58,980.39 | 61,249.38 | 63,961.00 |
| Potatoes | 274.28 | 286.64 | 298.83 | 310.33 | 322.58 | 2,218.91 | 2,368.91 | 2,511.15 | 2,611.15 | 2,693.00 |
| Yam | 3,833.67 | 4,000.13 | 4,115.17 | 4,365.38 | 4,394.27 | 37,653.44 | 39,693.44 | 41,599.35 | 42,998.35 | 43,038.00 |
| Cocoyam | 55,268.07 | 57,155.43 | 58,797.97 | 59,077.27 | 59,737.60 | 3,455.91 | 3,585.91 | 3,754.56 | 3,864.56 | 3,868.50 |
| Plantain | 131.33 | 137.27 | 142.93 | 148.02 | 160.48 | 1,651.05 | 1,757.93 | 1,892.17 | 1,932.17 | 1,982.17 |
| Vegetables | 1,578.14 | 1,674.31 | 1,764.63 | 1,864.57 | 1,914.60 | 7,277.26 | 7,580.47 | 7,817.38 | 8,097.38 | 8,102.38 |
| | | | | | | | | | | |
| **Other crops** | **9,664.55** | **9,935.07** | **10,230.00** | **11,142.30** | **11,409.50** | **12,731.04** | **13,441.97** | **14,060.26** | **14,665.39** | **15,359.00** |
| Melon | 437.67 | 450.93 | 466.97 | 483.70 | 535.33 | 673.81 | 710.46 | 810.21 | 835.21 | 864.86 |
| Groundnut/Peanut | 3,807.68 | 3,913.04 | 4,028.63 | 4,230.09 | 4,399.10 | 4,728.52 | 4,982.43 | 5,263.76 | 5,463.76 | 5,592.52 |
| Benniseed/Sesame | 88.36 | 92.29 | 96.17 | 98.20 | 99.20 | 168.00 | 179.62 | 188.93 | 192.93 | 199.58 |
| Soya Bean | 2,813.04 | 2,887.81 | 2,970.73 | 3,091.42 | 3,294.00 | 2,090.14 | 2,230.72 | 2,442.03 | 2,552.03 | 2,636.34 |
| Cotton | 929.20 | 957.70 | 982.40 | 999.80 | 1,104.10 | 787.54 | 797.65 | 829.23 | 850.34 | 879.66 |
| Palm Oil | 108.21 | 113.98 | 124.43 | 136.80 | 143.60 | 294.56 | 319.12 | 356.13 | 364.13 | 379.14 |
| Cocoa | 1,165.00 | 1,192.00 | 1,221.50 | 1,327.83 | 1,403.30 | 289.94 | 304.05 | 342.15 | 358.15 | 370.50 |
| Rubber | 5.41 | 5.68 | 5.93 | 6.05 | 6.40 | 329.36 | 348.84 | 369.42 | 378.42 | 390.34 |
| Sugarcane | 162.49 | 169.72 | 176.87 | 189.57 | 252.20 | 3,106.90 | 3,292.63 | 3,486.12 | 3,586.12 | 3,719.60 |
| Kolanut | 124.67 | 128.17 | 131.50 | 138.39 | 144.90 | 107.11 | 110.85 | 126.17 | 130.17 | 137.48 |
| Ginger | 9.50 | 9.90 | 10.30 | 11.29 | 11.80 | 116.13 | 123.70 | 132.23 | 137.23 | 141.02 |
| Cashew | 6.39 | 6.61 | 6.86 | 7.12 | 7.30 | 28.53 | 30.58 | 32.57 | 33.58 | 34.80 |
| Pinneaple | 1.63 | 1.66 | 1.88 | 2.00 | 2.00 | 4.80 | 5.20 | 5.54 | 5.73 | 6.04 |
| Palm Produce | 5.31 | 5.58 | 5.83 | 6.25 | 6.30 | 5.70 | 6.13 | 6.57 | 6.87 | 7.11 |
| | | | | | | | | | | |
| **Livestock Products** | | | | | | **4,384.96** | **4,666.98** | **4,933.40** | **5,222.90** | **5,506.17** |
| Poultry | | | | | | 166.50 | 175.15 | 185.18 | 194.18 | 208.80 |
| Goat Meat | | | | | | 726.72 | 775.72 | 810.26 | 830.26 | 872.32 |
| Mutton | | | | | | 663.60 | 709.60 | 750.31 | 781.31 | 831.68 |
| Beef | | | | | | 345.31 | 375.31 | 396.84 | 411.84 | 435.21 |
| Pork | | | | | | 84.84 | 89.21 | 94.08 | 99.08 | 105.50 |
| Milk | | | | | | 1,648.82 | 1,744.82 | 1,851.48 | 1,941.48 | 2,092.71 |
| Eggs | | | | | | 749.16 | 797.18 | 849.25 | 896.25 | 959.95 |
| | | | | | | | | | | |
| **Fishery** | | | | | | **759.16** | **804.22** | **851.94** | **928.03** | **990.25** |
| (1) Artisanal Coastal and Brackish Water Catches | | | | | | 305.00 | 315.52 | 330.96 | 355.96 | 387.31 |
| (2) Artisanal Inland Rivers and Lakes Catches | | | | | | 286.39 | 304.39 | 319.65 | 340.65 | 371.15 |
| (3) Fish Farming | | | | | | 107.20 | 119.41 | 130.56 | 140.56 | 155.01 |
| (4) Industrial (Trawling) Coastal Fish & Shrimps | | | | | | 60.58 | 64.90 | 68.78 | 70.78 | 76.78 |
| | | | | | | | | | | |
| **Forestry ('000 cu meteres)** | | | | | | **165,085.62** | **174,809.02** | **185,132.19** | **195,590.40** | **204,484.41** |
| Roundwood | | | | | | 161,886.20 | 170,981.59 | 178,971.68 | 185,971.68 | 199,256.38 |
| Sawnwood | | | | | | 2,948.04 | 3,534.04 | 4,191.48 | 4,501.49 | 4,861.00 |
| Wood Based Panels | | | | | | 215.01 | 248.01 | 269.67 | 289.67 | 312.67 |
| Papers & Paperboards ('000MT) | | | | | | 36.37 | 45.38 | 49.36 | 51.37 | 54.36 |

1/ Revised
2/ Provisional
Source: National Bureau of Statistics

## Table 42
## Indices of Average World Prices (C.I.F.) of Nigeria's Major Agricultural Export Commodities(Dollar-based, 2010= 100)

| COMMODITY | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| Cocoa [1] | 100.0 | 95.1 | 76.3 | 77.9 | 97.8 |
| Coffee [2] | 100.0 | 138.3 | 95.2 | 71.2 | 102.3 |
| Copra [3] | 100.0 | 154.3 | 98.3 | 82.4 | 113.9 |
| Cotton [3] | 100.0 | 149.7 | 86.1 | 87.2 | 80.2 |
| Palm Oil [3] | 100.0 | 125.2 | 109.3 | 88.9 | 86.0 |
| Soya Beans [3] | 100.0 | 125.3 | 139.2 | 133.9 | 118.5 |
| **All Commodities** | **100.0** | **99.8** | **81.0** | **79.5** | **96.2** |

Sources: [1]International Cocoa Organization Website
[2]International Coffee Organization Website
[3]Index Mundi

## Table 43
## Indices of Average World Prices (C.I.F.) of Nigeria's Major Agricultural Export Commodities (Naira-based, 2010= 100)

| COMMODITY | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| Cocoa [1] | 100.0 | 97.3 | 80.0 | 81.5 | 103.1 |
| Coffee [2] | 100.0 | 141.6 | 99.7 | 74.5 | 107.8 |
| Copra [3] | 100.0 | 157.7 | 103.0 | 86.2 | 120.0 |
| Cotton [3] | 100.0 | 152.9 | 90.2 | 91.3 | 84.4 |
| Palm Oil [3] | 100.0 | 128.1 | 114.6 | 93.0 | 90.6 |
| Soya Beans [3] | 100.0 | 128.3 | 145.8 | 140.1 | 124.8 |
| **All Commodities** | **100.0** | **102.1** | **84.8** | **83.2** | **101.5** |

Sources: [1]International Cocoa Organization Website
[2]International Coffee Organization Website
[3]Index Mundi

## Table 44
## Average Prices of Selected Cash Crops
## (Naira Per Tonne)

| COMMODITY | 2010 | 2011 | 2012 | 2013 /1 | 2014 /2 |
|---|---|---|---|---|---|
| Benniseed | 173,998.6 | 107,688.3 | 106,527.0 | 217,097.1 | 357,994.1 |
| Cocoa | 457,183.6 | 531,673.3 | 508,438.6 | 294,171.4 | 379,933.6 |
| Coffee (Arabica) | 205,355.8 | 204,279.9 | 198,251.7 | 183,623.1 | 258,908.6 |
| Tea | 432,859.9 | 427,383.9 | 420,083.9 | 403,446.3 | 413,532.4 |
| Cotton | 38,034.2 | 37,722.1 | 34,270.9 | 153,890.0 | 185,788.2 |
| Groundnut (Unshelled) | 28,110.6 | 28,112.8 | 28,719.6 | 191,912.9 | 203,814.3 |
| Ginger (Peeled) | 293,660.2 | 255,015.0 | 254,873.2 | 333,284.3 | 386,035.7 |
| Palm Kernel | 79,123.6 | 71,605.1 | 70,533.1 | 69,786.7 | 68,686.5 |
| Palm Oil (Special) | 257,727.2 | 211,600.5 | 214,313.1 | 413,177.4 | 560,685.4 |
| Soya Beans | 107,461.8 | 75,595.2 | 88,748.0 | 135,531.4 | 151,190.0 |
| Rubber (100% Dry Lump top quality) | 145,077.6 | 145,416.6 | 148,839.3 | 140,922.1 | 145,149.7 |
| Cashew Nut | 78,152.0 | 58,818.7 | 55,798.0 | 309,491.7 | 427,242.9 |
| Wheat | 129,310.5 | 78,250.4 | 88,274.2 | 147,291.4 | 164,742.0 |

1/ Revised
2/ Provisional
Sources: CBN Nationwide Survey

**Table 45**
**Index of Industrial Production**
**(2010 = 100)**

| Year/Quarter | Manufacturing | Mining | Electricity | Total (All Sectors) |
|---|---|---|---|---|
| | | | | |
| **2010** | **100.0** | **100.0** | **100.0** | **100.0** |
| 1st Quarter | 100.0 | 100.0 | 100.0 | **100.0** |
| 2nd Quarter | 100.0 | 100.0 | 100.0 | **100.0** |
| 3rd Quarter | 100.0 | 100.0 | 100.0 | **100.0** |
| 4th Quarter | 100.0 | 100.0 | 100.0 | **100.0** |
| | | | | |
| **2011** | **117.7** | **103.6** | **139.8** | **108.3** |
| 1st Quarter | 109.5 | 124.1 | 141.0 | **120.1** |
| 2nd Quarter | 117.5 | 110.6 | 145.9 | **113.2** |
| 3rd Quarter | 122.4 | 96.8 | 135.3 | **104.8** |
| 4th Quarter | 121.5 | 82.9 | 136.9 | **95.0** |
| | | | | |
| **2012** | **133.7** | **98.7** | **161.2** | **109.9** |
| 1st Quarter | 134.7 | 114.0 | 174.6 | **120.9** |
| 2nd Quarter | 132.8 | 99.6 | 188.2 | **110.6** |
| 3rd Quarter | 139.6 | 106.4 | 139.4 | **116.6** |
| 4th Quarter | 127.9 | 74.7 | 142.4 | **91.3** |
| | | | | |
| **2013** | **162.8** | **85.9** | **184.0** | **109.9** |
| 1st Quarter | 163.2 | 101.2 | 173.7 | **120.4** |
| 2nd Quarter | 162.8 | 83.5 | 210.2 | **108.6** |
| 3rd Quarter | 166.1 | 91.0 | 173.1 | **114.2** |
| 4th Quarter | 159.3 | 67.9 | 179.0 | **96.3** |
| | | | | |
| **2014 /2** | **186.8** | **84.8** | **166.7** | **115.9** |
| 1st Quarter | 188.3 | 94.7 | 180.2 | **123.4** |
| 2nd Quarter | 185.6 | 88.0 | 167.0 | **117.7** |
| 3rd Quarter | 192.7 | 87.8 | 135.7 | **119.3** |
| 4th Quarter | 180.8 | 68.8 | 184.0 | **103.3** |

Sources: Computed based on data from NBS.

## Table 46
## Index of Manufacturing Production
## (Base Quarterly Average, 2010 = 100)

| Year/Quarter | Oil Refining | Cement | Food, Beverage and Tobacco | Textile, Apparel and Footwear | Wood and Wood Products | Pulp, Paper and Paper Products | Chemical and Pharmaceutical Products | Non-Metallic Products | Plastic and Rubber products | Electrical and Electronics | Basic metal , Iron and Steel | Motor vehicles & assembly | Other Manufacturing | Total Manufacturing |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **2010** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** |
| 1st Quarter | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | **100.00** |
| 2nd Quarter | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | **100.00** |
| 3rd Quarter | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | **100.00** |
| 4th Quarter | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | **100.00** |
| **2011** | **106.21** | **107.67** | **107.28** | **161.28** | **105.63** | **117.01** | **154.61** | **166.75** | **224.72** | **182.11** | **231.46** | **120.16** | **139.34** | **117.70** |
| 1st Quarter | 106.96 | 97.87 | 103.32 | 125.03 | 99.13 | 109.14 | 111.13 | 153.00 | 213.18 | 160.80 | 212.54 | 118.29 | 130.30 | **109.52** |
| 2nd Quarter | 106.84 | 106.55 | 107.32 | 167.82 | 103.01 | 114.17 | 162.92 | 158.85 | 222.01 | 173.66 | 221.62 | 121.90 | 134.08 | **117.55** |
| 3rd Quarter | 106.34 | 111.94 | 108.81 | 184.14 | 113.85 | 120.79 | 164.58 | 191.15 | 230.49 | 192.11 | 234.67 | 116.25 | 153.43 | **122.54** |
| 4th Quarter | 104.71 | 114.33 | 109.65 | 168.11 | 106.53 | 123.96 | 179.82 | 164.02 | 233.22 | 201.87 | 257.01 | 124.22 | 139.56 | **121.50** |
| **2012** | **87.60** | **122.27** | **114.37** | **233.51** | **127.60** | **124.67** | **245.67** | **188.66** | **314.32** | **180.55** | **279.95** | **161.69** | **184.21** | **133.74** |
| 1st Quarter | 87.60 | 120.23 | 111.52 | 258.12 | 129.57 | 134.21 | 160.43 | 197.20 | 310.33 | 178.24 | 282.97 | 179.90 | 227.32 | **134.69** |
| 2nd Quarter | 88.70 | 123.66 | 112.54 | 245.56 | 125.14 | 123.25 | 251.44 | 179.87 | 317.34 | 183.99 | 280.30 | 163.08 | 169.31 | **132.75** |
| 3rd Quarter | 87.46 | 123.06 | 124.23 | 230.81 | 133.10 | 120.06 | 238.80 | 205.94 | 317.01 | 181.10 | 280.20 | 148.59 | 165.31 | **139.65** |
| 4th Quarter | 86.66 | 122.15 | 109.19 | 199.54 | 122.61 | 121.16 | 331.99 | 171.65 | 312.58 | 178.85 | 276.32 | 155.18 | 174.89 | **127.86** |
| **2013** | 135.10 | 170.23 | 127.85 | 314.03 | 138.90 | 180.74 | 367.94 | 249.26 | 409.05 | 189.83 | 317.21 | 203.01 | 245.65 | **162.85** |
| 1st Quarter | 137.32 | 164.92 | 125.30 | 347.80 | 136.86 | 183.68 | 308.55 | 244.91 | 401.87 | 182.41 | 312.70 | 209.61 | 260.07 | **163.17** |
| 2nd Quarter | 136.02 | 169.26 | 127.26 | 329.83 | 136.68 | 178.28 | 384.85 | 240.05 | 410.39 | 188.89 | 311.65 | 204.56 | 236.78 | **162.81** |
| 3rd Quarter | 133.82 | 173.64 | 132.19 | 310.17 | 144.38 | 179.61 | 388.74 | 267.43 | 413.39 | 192.70 | 317.89 | 195.25 | 245.12 | **166.11** |
| 4th Quarter | 133.27 | 173.12 | 126.64 | 268.30 | 137.66 | 181.40 | 389.63 | 244.64 | 410.55 | 195.30 | 326.61 | 202.62 | 240.65 | **159.30** |
| **2014 2/** | **122.12** | **220.79** | **135.04** | **412.14** | **156.52** | **206.23** | **507.56** | **334.84** | **532.66** | **202.10** | **366.60** | **255.13** | **316.82** | **186.85** |
| 1st Quarter | 116.40 | 215.41 | 132.40 | 467.76 | 152.27 | 198.60 | 436.94 | 332.33 | 523.90 | 193.87 | 352.87 | 273.79 | 345.79 | **188.32** |
| 2nd Quarter | 126.84 | 216.84 | 133.83 | 426.15 | 155.16 | 203.59 | 533.02 | 323.34 | 528.31 | 196.82 | 358.21 | 252.80 | 299.25 | **185.63** |
| 3rd Quarter | 145.48 | 222.40 | 140.77 | 403.90 | 162.66 | 208.96 | 542.36 | 366.74 | 541.91 | 209.79 | 369.66 | 242.13 | 317.61 | **192.68** |
| 4th Quarter | 99.75 | 228.52 | 133.17 | 350.78 | 156.00 | 213.78 | 517.91 | 316.95 | 536.53 | 207.93 | 385.67 | 251.81 | 304.64 | **180.77** |

Sources: Computed based on data from NBS.

## Table 47
## Production of Principal Solid Minerals
## (Tonnes)

| SOLID MINERALS | 2010 | 2011 | 2012 | 2013 | 2014 1/ | Absolute Change Between | Percentage Change Between |
|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 4&5 | 4&5 |
| Baryte | 470,899.00 | 525,376.83 | 16,292.33 | 18,960.16 | 21,519.78 | 2,559.62 | 13.5 |
| Clay | 139,298.61 | 155,468.65 | 454,947.12 | 742,029.19 | 1,113,043.79 | 371,014.60 | 50.0 |
| Coal | 45,713.14 | 39,213.41 | 64,348.56 | 40,359.39 | 62,153.46 | 21,794.07 | 54.0 |
| Marble Aggregates | 9,356.00 | 10,185.88 | 15,300.00 | 40,218.00 | 60,327.00 | 20,109.00 | 50.0 |
| Sand | 1,254,230.53 | 1,393,856.89 | 2,581,256.05 | 3,324,540.00 | 3,022,309.09 | (302,230.91) | -9.1 |
| Stone Aggregates | 3,672,796.03 | 4,074,350.91 | 4,475,905.79 | 4,631,893.04 | 4,863,487.69 | 231,594.65 | 5.0 |
| Gold (G) | 2,518.00 | 2,787.71 | 4,303.00 | 6,261.00 | 19,815.54 | 13,554.54 | 216.5 |
| Granite Aggregates | 7,739,026.85 | 9,620,746.95 | 11,723,207.17 | 15,364,456.52 | 16,132,679.35 | 768,222.83 | 5.0 |
| Lead/Zinc | 2,400.00 | 2,680.49 | 3,532.80 | 15,316.94 | 30,698.12 | 15,381.18 | 100.4 |
| Limestone | 5,671,419.54 | 8,279,555.17 | 17,662,349.27 | 23,482,158.10 | 23,716,979.68 | 234,821.58 | 1.0 |
| Iron Ore | 62,799.60 | 69,692.84 | 600.00 | 2,080.90 | 2,184.95 | 104.05 | 5.0 |
| Laterite | 2,321,906.19 | 2,573,274.26 | 3,092,789.61 | 5,633,339.09 | 5,915,006.04 | 281,666.95 | 5.0 |
| Shale | 6,689,910.73 | 7,451,773.38 | 414,608.00 | 1,062,957.00 | 966,324.55 | (96,632.45) | -9.1 |
| Cassiterite | 79,409.00 | 85,775.81 | 846.05 | 791.63 | 831.21 | 39.58 | 5.0 |
| Columbite | 281,136.00 | 310,937.31 | 3,233.33 | 323.73 | 213.72 | (110.01) | -34.0 |
| Other Minerals | 19,810,898.53 | 19,014,203.93 | 19,917,507.50 | 6,145,071.23 | 6,452,324.79 | 307,253.56 | 5.0 |
| **TOTAL** | **48,253,717.75** | **53,609,880.42** | **60,431,026.58** | **60,510,755.92** | **62,379,898.75** | **79,729.34** | 3.1 |

1/ Staff estimate
Source: Federal Ministry of Mines and Steel Development

## Table 48
## Energy Consumption
## (Tonnes of Coal Equivalent (TCE))
## (2010 = 100)

| Type | Weight | 2010 | 2011 | 2012 | 2013 | 2014 /2 |
|---|---|---|---|---|---|---|
| | | | | | | |
| **Coal** | **0.2** | **37,745.3** | **32,378.5** | **53,132.6** | **33,324.8** | **265,508.1** |
| Percentage Share | | 0.2 | 0.2 | 0.3 | 0.3 | 1.7 |
| **Hydro - Power** | **19.4** | **3,583,756.2** | **3,305,962.9** | **3,227,657.5** | **3,038,355.0** | **2,577,031.8** |
| Percentage Share | | 19.4 | 18.7 | 19.4 | 23.8 | 16.5 |
| **Natural Gas** | **13.2** | **2,430,670.7** | **2,312,667.3** | **2,672,531.8** | **2,571,927.1** | **3,978,201.6** |
| Percentage Share | | 13.2 | 13.1 | 16.1 | 20.1 | 25.4 |
| **Petroleum Products** | **67.2** | **12,393,471.7** | **12,009,240.0** | **10,659,927.1** | **7,120,510.0** | **8,840,324.5** |
| Percentage Share | | 67.2 | 68.0 | 64.2 | 55.8 | 56.4 |
| **Total** | **100.0** | **18,445,243.9** | **17,660,248.8** | **16,613,249.0** | **12,764,116.8** | **15,661,125.9** |
| Percentage Share | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| **Index of Energy Consumption(2010 = 100)** | | **100.0** | **126.8** | **118.5** | **87.8** | **114.3** |

/1 Revised
/2 Provisional

Sources: Federal Ministry of Solid Mineral Development; Federal Ministry of Power & Steel, NNPC & PHCN

## Table 49
## Consumption of Petroleum Products
## ('000 Liters*)

| Product | 2010 | 2011 | 2012 | 2013 | 2014 2/ |
|---|---|---|---|---|---|
| Liquefied Petroluem Gas or Cooking Gas | 86,328.0 | 32,027.3 | 15,430.3 | 4,828.5 | - |
| Premium Motor Spirit (PMS- Gasoline) | 6,594,168.4 | 5,417,187.0 | 5,017,535.1 | 3,005,599.1 | 4,205,296.5 |
| Dual Purpose Kerosine (DPK) | 406,249.4 | 871,799.5 | 630,956.8 | 545,165.9 | 608,213.9 |
| Automative Gas Oil (AGO) | 722,738.4 | 961,695.4 | 676,727.7 | 597,351.7 | 462,963.7 |
| Low Pour Fuel Oil (LPFO) | 35,094.0 | 310,907.1 | 415,447.3 | 312,620.8 | 249,879.4 |
| Bitumen/Asphalt | 25,292.0 | n. a. | 64.8 | - | 2,295.9 |
| Others (Wax, Petroleum Jelly, Grease, Base Oil etc) | n. a. | 32,266.5 | 12,905.2 | 55,966.9 | 84,967.9 |
| **Total** | **7,869,870.2** | **7,625,882.7** | **6,769,067.2** | **4,521,532.9** | **5,613,617.3** |

1/ Revised
2/ Provisional
Sources: Nigerian National Petroleum Corporation

## Table 50
## Contribution from Local Refineries (Metric Tonnes)

| Refined Products | 2010 | 2011 | 2012 | 2013 | 2014/1 |
|---|---|---|---|---|---|
| **LPG** | 86,328.0 | 126,242.0 | 85,104.0 | 162,043.0 | 163,696.0 |
| **PMS** | 1,126,528.0 | 1,303,736.0 | 1,134,534.0 | 1,237,307.0 | 1,257,799.3 |
| **DPK** | 668,550.0 | 760,918.0 | 605,878.0 | 746,955.7 | 750,956.0 |
| **AGO** | 1,026,134.0 | 1,101,336.0 | 963,078.0 | 1,019,143.0 | 1,090,143.0 |
| **Fuel Oil** | 1,228,540.0 | 1,391,981.0 | 969,689.0 | 1,345,604.0 | 1,360,604.0 |
| **Asphalt** | 25,292.0 | 33,440.0 | (16.0) | (5,289.0) | 1,308.0 |
| **Fuel & Losses** | 337,776.0 | 153,561.0 | 279,800.0 | 50,442.0 | 29,738.7 |
| **Total** | **4,499,148.0** | **4,871,214.0** | **4,038,067.0** | **4,556,205.7** | **4,654,244.9** |

1/ Provisional
Sources: Warri-Refining Petrochemical Company (RPC), Kaduna-RPC, Port Harcourt Refining Company , NNPC, staff Estimates

## Table 51
## Gas Production, Utilisation and Disposal (mscf)

| | 2010 | 2011 | 2012 | 2013 | 2014 /1 |
|---|---|---|---|---|---|
| Gas Produced | 2,392,838,898.9 | 2,144,035,460.5 | 2,580,165,626.0 | 2,325,137,449.0 | 3,425,640,892.8 |
| Gas Used as Fuel | 72,233,896.7 | 103,370,471.5 | 115,677,106.0 | 128,523,560.0 | 173,830,763.9 |
| Gas Sold to Industries | 883,612,846.0 | 832,330,267.8 | 875,458,449.0 | 606,542,389.0 | 628,058,690.4 |
| Gas Sold to LNG | 167,190,149.0 | 252,572,424.0 | 329,863,143.0 | 300,877,404.0 | 661,042,825.2 |
| Gas Reinjected | 493,309,826.1 | 409,877,709.7 | 462,875,916.0 | 638,506,664.0 | 968,302,912.2 |
| Gas Lifted | 169,057,005.2 | 84,930,356.5 | 72,904,179.0 | 46,898,121.0 | 85,644,022.7 |
| Gas Converted to NGLs | 25,866,822.0 | 40,256,328.0 | 47,186,521.0 | 56,076,709.0 | 40,173,052.5 |
| Total Gas Utilised | 1,811,270,545.0 | 1,723,337,557.5 | 1,991,498,902.0 | 1,916,531,001.0 | 2,964,493,703.8 |
| Gas Utilised as % of Gas Produced | 75.7 | 80.4 | 77.2 | 82.4 | 86.5 |
| Gas Flared | 581,568,353.9 | 420,697,903.0 | 588,666,724.0 | 408,606,448.0 | 461,147,189.0 |
| Gas Flared as % of Gas Produced | 24.3 | 19.6 | 22.8 | 17.6 | 13.5 |

1/ Provisional
Source: NNPC, DPR, CBN Estimates

**Table 52**
**World Crude Oil Production and Consumption**
**(Million Barrels Per Day)**

| | 2010 | 2011 | 2012 | 2013 | 2014 | Absolute Change Between | | | | Percentage Change Between | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | (1)&(2) | (2)&(3) | (3)&(4) | (4)&(5) | (1)&(2) | (2)&(3) | (3)&(4) | (4)&(5) |
| **Supply** | | | | | | | | | | | | | |
| OPEC | 33.9 | 35.1 | 36.7 | 35.9 | 36.0 | 1.16 | 1.60 | -0.85 | 0.10 | 3.4 | 4.6 | (2.3) | 0.3 |
| Crudes | 29.14 | 29.81 | 31.13 | 30.20 | 30.12 | 0.67 | 1.32 | -0.93 | -0.08 | 2.3 | 4.4 | (3.0) | (0.3) |
| NGLs and condensates | 4.80 | 5.29 | 5.57 | 5.65 | 5.83 | 0.49 | 0.28 | 0.08 | 0.18 | 10.2 | 5.3 | 1.4 | 3.2 |
| TOTAL NON -OPEC | 52.3 | 52.4 | 52.9 | 54.2 | 56.2 | 0.15 | 0.49 | 1.30 | 2.00 | 0.3 | 0.9 | 2.5 | 3.7 |
| **Total World Supply** | **86.2** | **87.5** | **89.6** | **90.1** | **92.1** | 1.31 | 2.09 | 0.45 | 2.01 | 1.5 | 2.4 | 0.5 | 2.2 |
| **Demand** | | | | | | | | | | | | | |
| OECD | 46.0 | 45.9 | 46.1 | 46.0 | 45.7 | -0.13 | 0.24 | -0.10 | -0.28 | (0.3) | 0.5 | (0.2) | (0.6) |
| NON - OECD | 40.2 | 42.0 | 42.7 | 44.2 | 45.4 | 1.78 | 0.73 | 1.50 | 1.23 | 4.4 | 1.7 | 3.5 | 2.8 |
| **Total World Demand** | **86.2** | **87.8** | **88.8** | **90.2** | **91.2** | 1.65 | 0.96 | 1.40 | 1.00 | 1.9 | 1.1 | 1.6 | 1.1 |
| **Nigeria** | | | | | | | | | | | | | |
| Output | 2.13 | 2.17 | 2.10 | 1.93 | 1.94 | 0.04 | -0.07 | -0.17 | 0.01 | 1.9 | (3.2) | (8.1) | 0.5 |
| Exports | 1.68 | 1.72 | 1.65 | 1.48 | 1.49 | 0.04 | -0.07 | -0.17 | 0.01 | 2.4 | (4.1) | (10.3) | 0.7 |
| Domestic Consumption | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.00 | 0.00 | 0.00 | 0.00 | - | - | - | - |

Source: OPEC, Reuters

**Table 53**
**Analysis of Average Spot Prices of Selected Global Crudes**
**(US Dollar per Barrel)**

| Crude Type | 2010 | 2011 | 2012 | 2013 | 2014 | Absolute Change Between | | | | Percentage Change Between | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | (1)&(2) | (2)&(3) | (3)&(4) | (4)&(5) | (1)&(2) | (2)&(3) | (3)&(4) | (4)&(5) |
| Bonny Light | 80.81 | 113.77 | 113.47 | 111.36 | 100.74 | 32.96 | -0.30 | -2.11 | -10.62 | 40.8 | -0.3 | -1.9 | -9.5 |
| UK Brent | 79.75 | 111.92 | 112.30 | 108.62 | 99.35 | 32.17 | 0.38 | -3.68 | -9.27 | 40.3 | 0.3 | -3.3 | -8.5 |
| West Texas Intermediate(WTI) | 79.12 | 94.69 | 90.87 | 96.34 | 93.03 | 15.57 | -3.82 | 5.47 | -3.31 | 19.7 | -4.0 | 5.8 | -3.4 |
| Forcados | 80.88 | 114.52 | 114.96 | 112.54 | 101.33 | 33.64 | 0.44 | -2.42 | -11.21 | 41.6 | 0.4 | -2.1 | -10.0 |
| OPEC Basket | 77.45 | 107.46 | 109.45 | 105.87 | 96.29 | 30.01 | 1.99 | -3.58 | -9.58 | 38.7 | 1.9 | -3.3 | -9.0 |

Source: Reuters, OPEC

**Table 54**
**Composite Consumer price Index**
**(November 2009 = 100**

| | 2010 | 2011 | 2012 | 2013 | 2014 | *percentage change between* | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | (1) & (2) | (2) & (3) | (3) & (4) | (4) & (5) |
| All- Item | 114.2 | 126.0 | 141.1 | 152.3 | 164.4 | 10.3 | 12.0 | 8.0 | 8.0 |
| All- Item Less Farm Produce | 112.6 | 124.8 | 141.8 | 153.0 | 162.5 | 10.8 | 13.7 | 7.9 | 6.2 |
| All- Item Less Farm Produce & Energy | 112.5 | 123.6 | 139.6 | 150.8 | 160.2 | 9.9 | 13.0 | 8.0 | 6.3 |
| Imported Food | 115.4 | 125.3 | 137.6 | 147.4 | 159.5 | 8.6 | 9.8 | 7.1 | 8.2 |
| Food | 115.4 | 128.1 | 141.2 | 154.3 | 168.4 | 11.0 | 10.2 | 9.3 | 9.2 |
| Food & Non-Alcoholic Beverages | 115.5 | 127.8 | 140.9 | 153.9 | 167.9 | 10.6 | 10.3 | 9.2 | 9.1 |
| Alcoholic Beverage, Tobacco & Kola | 111.9 | 119.0 | 126.1 | 134.7 | 144.7 | 6.3 | 6.0 | 6.8 | 7.4 |
| Clothing & Footwear | 113.7 | 122.3 | 139.1 | 149.8 | 161.3 | 7.6 | 13.7 | 7.7 | 7.7 |
| Housing, Water, Electricity, Gas & other Fuel | 113.2 | 131.9 | 153.2 | 162.2 | 171.8 | 16.5 | 16.2 | 5.9 | 5.9 |
| Furnishing & household Equipment Maintenance | 113.2 | 119.9 | 134.4 | 144.1 | 155.5 | 5.9 | 12.1 | 7.3 | 7.9 |
| Health | 112.7 | 122.8 | 133.9 | 143.5 | 153.5 | 9.0 | 9.0 | 7.2 | 7.0 |
| Transport | 112.9 | 128.7 | 140.2 | 149.6 | 159.7 | 14.0 | 8.9 | 6.7 | 6.7 |
| Communication | 102.4 | 106.5 | 116.3 | 120.9 | 125.5 | 4.0 | 9.2 | 3.9 | 3.8 |
| Recreation & Culture | 107.8 | 113.3 | 122.1 | 130.1 | 139.6 | 5.1 | 7.7 | 6.6 | 7.3 |
| Education | 109.1 | 114.6 | 129.1 | 137.9 | 147.0 | 5.0 | 12.6 | 6.8 | 6.6 |
| Restaurant & Hotels | 109.6 | 118.9 | 126.1 | 134.4 | 144.6 | 8.5 | 6.1 | 6.6 | 7.6 |
| Miscellaneous goods & Services | 112.1 | 122.7 | 136.0 | 145.9 | 156.2 | 9.5 | 10.8 | 7.3 | 7.0 |
| **CPI, End-December** | **114.2** | **126.0** | **141.1** | **152.3** | 164.4 | | | | |

Note: Imported Food component was introduced in 2009.
Source: National Bureau of Statistics (NBS)

**Table 55**
**Urban Consumer Price Index**
**(November 2009 = 100)**

| | 2010 | 2011 | 2012 | 2013 | 2014 | *Percentage change between* | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | (1) & (2) | (2) & (3) | (3) & (4) | (4) & (5) |
| All- Item | 112.2 | 122.3 | 140.0 | 151.4 | 163.4 | 9.0 | 14.5 | 8.1 | 7.9 |
| All- Item Less Farm Produce | 111.2 | 122.0 | 139.8 | 150.4 | 160.1 | 9.7 | 14.6 | 7.6 | 6.4 |
| All- Item Less Farm Produce & Energy | 111.0 | 119.6 | 136.9 | 147.7 | 157.0 | 7.7 | 14.4 | 7.9 | 6.3 |
| Imported Food | 113.5 | 121.1 | 136.7 | 146.7 | 159.2 | 6.7 | 12.9 | 7.3 | 8.5 |
| Food | 113.4 | 124.5 | 137.6 | 151.0 | 165.4 | 9.8 | 10.5 | 9.8 | 9.5 |
| Food & Non-Alcoholic Beverages | 113.4 | 123.8 | 137.3 | 150.6 | 164.9 | 9.2 | 10.9 | 9.7 | 9.5 |
| Alcoholic Beverage, Tobacco & Kola | 109.7 | 115.2 | 118.8 | 127.6 | 138.1 | 5.0 | 3.1 | 7.5 | 8.2 |
| Clothing & Footwear | 113.8 | 120.2 | 141.2 | 152.2 | 162.9 | 5.6 | 17.4 | 7.8 | 7.0 |
| Housing, Water, Electricity, Gas & other Fuel | 111.8 | 128.0 | 155.1 | 164.9 | 173.8 | 14.5 | 21.2 | 6.3 | 5.4 |
| Furnishing & household Equipment Maintenance | 111.5 | 119.2 | 132.1 | 139.8 | 151.6 | 6.9 | 10.8 | 5.8 | 8.4 |
| Health | 112.9 | 122.1 | 133.6 | 142.7 | 152.7 | 8.1 | 9.4 | 6.9 | 7.0 |
| Transport | 111.7 | 128.2 | 143.1 | 153.4 | 164.0 | 14.8 | 11.7 | 7.2 | 6.9 |
| Communication | 100.8 | 104.6 | 113.8 | 118.7 | 123.5 | 3.8 | 8.8 | 4.2 | 4.1 |
| Recreation & Culture | 109.2 | 107.9 | 122.8 | 131.1 | 141.7 | -1.2 | 13.8 | 6.8 | 8.1 |
| Education | 109.3 | 114.6 | 129.0 | 137.7 | 147.4 | 4.8 | 12.6 | 6.7 | 7.0 |
| Restaurant & Hotels | 111.3 | 121.1 | 127.3 | 135.9 | 146.4 | 8.8 | 5.1 | 6.8 | 7.8 |
| Miscellaneous goods & Services | 112.7 | 117.4 | 137.2 | 146.8 | 157.1 | 4.2 | 16.9 | 7.0 | 7.1 |
| **CPI, End-December** | **112.2** | **122.3** | **140.0** | **151.4** | 163.4 | | | | |

Source: National Bureau of Statistics (NBS)

**Table 56**
**Rural Consumer Price Index**
**(November 2009 = 100)**

| | 2010 | 2011 | 2012 | 2013 | 2014 | *Percentage change between* | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | (1) & (2) | (2) & (3) | (3) & (4) | (4) & (5) |
| All- Item | 112.2 | 122.3 | 140.0 | 151.4 | 163.4 | 9.0 | 14.5 | 8.1 | 7.9 |
| All- Item Less Farm Produce | 111.2 | 122.0 | 139.8 | 150.4 | 160.1 | 9.7 | 14.6 | 7.6 | 6.4 |
| All- Item Less Farm Produce & Energy | 111.0 | 119.6 | 136.9 | 147.7 | 157.0 | 7.7 | 14.4 | 7.9 | 6.3 |
| Imported Food | 113.5 | 121.1 | 136.7 | 146.7 | 159.2 | 6.7 | 12.9 | 7.3 | 8.5 |
| Food | 113.4 | 124.5 | 137.6 | 151.0 | 165.4 | 9.8 | 10.5 | 9.8 | 9.5 |
| Food & Non-Alcoholic Beverages | 113.4 | 123.8 | 137.3 | 150.6 | 164.9 | 9.2 | 10.9 | 9.7 | 9.5 |
| Alcoholic Beverage, Tobacco & Kola | 109.7 | 115.2 | 118.8 | 127.6 | 138.1 | 5.0 | 3.1 | 7.5 | 8.2 |
| Clothing & Footwear | 113.8 | 120.2 | 141.2 | 152.2 | 162.9 | 5.6 | 17.4 | 7.8 | 7.0 |
| Housing, Water, Electricity, Gas & other Fuel | 111.8 | 128.0 | 155.1 | 164.9 | 173.8 | 14.5 | 21.2 | 6.3 | 5.4 |
| Furnishing & household Equipment Maintenance | 111.5 | 119.2 | 132.1 | 139.8 | 151.6 | 6.9 | 10.8 | 5.8 | 8.4 |
| Health | 112.9 | 122.1 | 133.6 | 142.7 | 152.7 | 8.1 | 9.4 | 6.9 | 7.0 |
| Transport | 111.7 | 128.2 | 143.1 | 153.4 | 164.0 | 14.8 | 11.7 | 7.2 | 6.9 |
| Communication | 100.8 | 104.6 | 113.8 | 118.7 | 123.5 | 3.8 | 8.8 | 4.2 | 4.1 |
| Recreation & Culture | 109.2 | 107.9 | 122.8 | 131.1 | 141.7 | -1.2 | 13.8 | 6.8 | 8.1 |
| Education | 109.3 | 114.6 | 129.0 | 137.7 | 147.4 | 4.8 | 12.6 | 6.7 | 7.0 |
| Restaurant & Hotels | 111.3 | 121.1 | 127.3 | 135.9 | 146.4 | 8.8 | 5.1 | 6.8 | 7.8 |
| Miscellaneous goods & Services | 112.7 | 117.4 | 137.2 | 146.8 | 157.1 | 4.2 | 16.9 | 7.0 | 7.1 |
| **CPI, End-December** | **112.2** | **122.3** | **140.0** | **151.4** | 163.4 | | | | |

Source: National Bureau of Statistics (NBS)

# Table 57
## Balance of Payments
## (US$' Million)

| | 2010 /2 | 2011 /2 | 2012 /2 | 2013 /2 | 2014 /1 |
|---|---|---|---|---|---|
| **CURRENT ACCOUNT** | **13,269.47** | **10,757.46** | **17,515.51** | **19,205.15** | **1,278.69** |
| **Goods** | **30,461.40** | **33,102.28** | **39,508.87** | **42,517.47** | **20,992.37** |
| Credit | 80,579.38 | 99,878.08 | 96,904.91 | 97,818.22 | 82,586.11 |
| Debit | (50,117.98) | (66,775.80) | (57,396.04) | (55,300.75) | (61,593.74) |
| ***Exports fob*** | ***80,579.38*** | ***99,878.08*** | ***96,904.91*** | ***97,818.22*** | ***82,586.11*** |
| Crude oil & gas | 75,806.07 | 93,890.02 | 91,274.34 | 90,574.69 | 76,515.31 |
| Crude oil | 68,149.42 | 83,060.97 | 80,412.33 | 81,142.90 | 66,127.29 |
| Gas | 7,656.65 | 10,829.05 | 10,862.01 | 9,431.79 | 10,388.03 |
| Non-oil | 4,773.30 | 5,988.06 | 5,630.57 | 7,243.53 | 6,070.80 |
| *Electricity* | *56.91* | *93.72* | *102.60* | *104.10* | *115.34* |
| *Other Non-oil* | 4,716.39 | 5,894.34 | 5,527.98 | 7,139.43 | 5,955.46 |
| **Imports fob** | **(50,117.98)** | **(66,775.80)** | **(57,396.04)** | **(55,300.75)** | **(61,593.74)** |
| Crude oil & gas /3 | (11,218.26) | (19,349.55) | (19,022.21) | (15,195.58) | (13,806.03) |
| Non-oil | (38,899.71) | (47,426.26) | (38,373.83) | (40,105.17) | (47,787.71) |
| **Trading Partner Adjustment** | - | - | - | - | - |
| Services(net) | (18,472.20) | (21,361.20) | (21,715.85) | (19,565.79) | (22,466.12) |
| Credit | 3,117.70 | 3,414.81 | 2,419.78 | 2,415.81 | 1,991.35 |
| Debit | (21,589.90) | (24,776.01) | (24,135.62) | (21,981.59) | (24,457.47) |
| Transportation(net) | (6,601.58) | (6,521.29) | (8,374.32) | (7,476.26) | (8,004.57) |
| Credit | 1,993.58 | 1,600.67 | 1,405.66 | 1,108.28 | 774.38 |
| Debit | (8,595.16) | (8,121.96) | (9,779.98) | (8,584.54) | (8,778.94) |
| Of which: Passenger | (2,646.46) | (2,893.43) | (3,039.69) | (3,237.05) | (3,268.67) |
| Credit | 168.70 | 66.00 | 84.16 | 78.36 | 62.17 |
| Debit | (2,815.16) | (2,959.43) | (3,123.85) | (3,315.41) | (3,330.83) |
| Of which: Freight | (4,166.73) | (3,820.04) | (5,529.66) | (4,441.58) | (4,656.05) |
| Credit | 1,438.50 | 1,057.95 | 868.62 | 554.39 | 346.10 |
| Debit | (5,605.23) | (4,877.99) | (6,398.28) | (4,995.97) | (5,002.15) |
| Of which: Other | 211.61 | 192.18 | 195.03 | 202.36 | (79.85) |
| Credit | 386.38 | 476.72 | 452.88 | 475.52 | 366.11 |
| Debit | (174.77) | (284.54) | (257.85) | (273.16) | (445.96) |
| Travel | (5,057.60) | (6,025.08) | (5,632.04) | (5,369.58) | (4,769.15) |
| Credit | 575.94 | 628.40 | 559.02 | 542.39 | 543.13 |
| Debit | (5,633.54) | (6,653.48) | (6,191.06) | (5,911.97) | (5,312.28) |
| Business travel | (764.41) | (1,111.06) | (829.84) | (690.22) | (656.21) |
| Credit | - | - | - | - | - |
| Debit | (764.41) | (1,111.06) | (829.84) | (690.22) | (656.21) |
| Personal travel | (4,293.19) | (4,914.02) | (4,802.20) | (4,679.36) | (4,112.94) |
| Credit | 575.94 | 628.40 | 559.02 | 542.39 | 543.13 |
| Debit | (4,869.13) | (5,542.42) | (5,361.22) | (5,221.75) | (4,656.07) |
| Education related expenditure | (2,415.48) | (2,694.31) | (2,566.59) | (2,505.88) | (2,238.60) |
| Credit | - | - | - | - | - |
| Debit | (2,415.48) | (2,694.31) | (2,566.59) | (2,505.88) | (2,238.60) |
| Health related expenditure | (1,008.99) | (1,110.91) | (1,042.37) | (997.75) | (835.27) |
| Credit | - | - | - | - | - |
| Debit | (1,008.99) | (1,110.91) | (1,042.37) | (997.75) | (835.27) |
| Other Personal Travels | (868.72) | (1,108.80) | (1,193.23) | (1,175.73) | (1,039.07) |
| Credit | 575.94 | 628.40 | 559.02 | 542.39 | 543.13 |
| Debit | (1,444.66) | (1,737.20) | (1,752.25) | (1,718.12) | (1,582.20) |
| Insurance services | (506.53) | (707.64) | (731.65) | (218.62) | (312.91) |
| Credit | 1.02 | 1.66 | 1.78 | 4.12 | 22.15 |
| Debit | (507.55) | (709.30) | (733.43) | (222.74) | (335.07) |
| Communication services | (239.95) | (180.94) | (362.25) | (520.39) | (820.19) |
| Credit | 48.00 | 50.40 | 50.93 | 52.08 | 53.64 |
| Debit | (287.95) | (231.34) | (413.18) | (572.47) | (873.83) |
| Construction services | (130.51) | (89.43) | (111.98) | (87.31) | (70.00) |
| Credit | - | - | - | - | - |
| Debit | (130.51) | (89.43) | (111.98) | (87.31) | (70.00) |
| Financial services | (20.14) | (304.24) | (422.66) | (726.17) | (1,227.16) |
| Credit | 13.99 | 16.11 | 11.34 | 22.19 | 14.14 |
| Debit | (34.13) | (320.36) | (434.01) | (748.37) | (1,241.30) |
| Computer & information services | (125.23) | (166.28) | (177.28) | (315.62) | (698.77) |
| Credit | - | - | - | - | - |
| Debit | (125.23) | (166.28) | (177.28) | (315.62) | (698.77) |
| Royalties and license fees | (226.09) | (214.98) | (252.84) | (260.70) | (252.84) |
| Credit | - | - | - | - | - |
| Debit | (226.09) | (214.98) | (252.84) | (260.70) | (252.84) |
| Other business services | (4,496.03) | (6,034.85) | (4,371.02) | (3,315.76) | (4,765.36) |
| Credit | 18.45 | 36.03 | 55.36 | 203.09 | 100.00 |
| Debit | (4,514.48) | (6,070.88) | (4,426.39) | (3,518.85) | (4,865.36) |

# Table 57 Cont'd
## Balance of Payments
## (US$' Million)

| | 2010 /2 | 2011 /2 | 2012 /2 | 2013 /2 | 2014 /1 |
|---|---|---|---|---|---|
| Operational leasing services | (1,123.39) | (1,884.37) | (1,487.02) | (1,099.95) | (1,123.15) |
| Credit | - | - | - | - | - |
| Debit | (1,123.39) | (1,884.37) | (1,487.02) | (1,099.95) | (1,123.15) |
| Misc. business, professional, and technical services | (3,372.64) | (4,150.47) | (2,884.00) | (2,215.81) | (3,642.22) |
| Credit | 18.45 | 36.03 | 55.36 | 203.09 | 100.00 |
| Debit | (3,391.09) | (4,186.51) | (2,939.37) | (2,418.90) | (3,742.21) |
| Personal, cultural & recreational services | (53.08) | (79.74) | (74.07) | (20.72) | (301.51) |
| Credit | - | - | - | - | - |
| Debit | (53.08) | (79.74) | (74.07) | (20.72) | (301.51) |
| Government Services | (1,015.45) | (1,036.73) | (1,205.75) | (1,254.65) | (1,243.65) |
| Credit | 466.73 | 1,081.54 | 335.68 | 483.66 | 483.91 |
| **Debit** | **(1,482.18)** | **(2,118.27)** | **(1,541.43)** | **(1,738.31)** | **(1,727.56)** |
| Income(net) | (19,674.59) | (22,972.33) | (22,264.91) | (25,729.78) | (19,165.58) |
| Credit | 1,009.79 | 905.02 | 964.31 | 888.06 | 1,633.04 |
| Debit | (20,684.38) | (23,877.35) | (23,229.22) | (26,617.84) | (20,798.62) |
| Compensation of employees | 149.57 | 138.33 | 167.16 | 167.95 | 179.40 |
| Credit | 168.59 | 181.96 | 181.96 | 191.25 | 200.08 |
| Debit | (19.01) | (43.63) | (14.80) | (23.30) | (20.68) |
| Investment income | (19,824.17) | (23,110.66) | (22,432.08) | (25,897.73) | (19,344.98) |
| Credit | 841.20 | 723.06 | 782.35 | 696.81 | 1,432.96 |
| Debit | (20,665.37) | (23,833.72) | (23,214.42) | (26,594.54) | (20,777.94) |
| Direct investment | (20,054.84) | (22,982.82) | (22,132.00) | (25,148.94) | (19,351.26) |
| Credit | 143.81 | 279.81 | 325.56 | 315.15 | 316.70 |
| Debit | (20,198.65) | (23,262.63) | (22,457.57) | (25,464.09) | (19,667.96) |
| Income on equity | (20,015.61) | (22,937.03) | (22,100.99) | (25,085.26) | (19,311.79) |
| Credit | 141.06 | 277.26 | 322.55 | 312.25 | 313.74 |
| Debit | (20,156.67) | (23,214.29) | (22,423.54) | (25,397.51) | (19,625.53) |
| Dividends and distributed branch profits | (17,189.39) | (20,049.98) | (19,142.60) | (22,424.40) | (16,680.83) |
| Credit | 128.23 | 252.06 | 293.23 | 284.17 | 285.29 |
| Debit | (17,317.63) | (20,302.04) | (19,435.83) | (22,708.57) | (16,966.12) |
| Reinvested earnings and undistributed branch profit | (2,826.22) | (2,887.04) | (2,958.39) | (2,660.86) | (2,630.96) |
| Credit | 12.82 | 25.21 | 29.32 | 28.08 | 28.45 |
| Debit | (2,839.04) | (2,912.25) | (2,987.71) | (2,688.94) | (2,659.41) |
| Income on Direct Investment Loans (interest) | (39.23) | (45.79) | (31.01) | (63.68) | (39.47) |
| Credit | 2.75 | 2.55 | 3.01 | 2.90 | 2.96 |
| Debit | (41.98) | (48.34) | (34.02) | (66.58) | (42.43) |
| Portfolio investment | (323.87) | (402.16) | (585.89) | (908.82) | (513.08) |
| Credit | 19.89 | 18.47 | 20.50 | 20.76 | 24.57 |
| Debit | (343.76) | (420.63) | (606.40) | (929.58) | (537.65) |
| Other investment | 554.55 | 274.32 | 285.82 | 160.03 | 519.36 |
| Income on debt (interest) | 554.55 | 274.32 | 285.82 | 160.03 | 519.36 |
| Credit | 677.51 | 424.78 | 436.28 | 360.90 | 1,091.69 |
| **Debit** | **(122.96)** | **(150.46)** | **(150.46)** | **(200.87)** | **(572.33)** |
| Current transfers(net) | 20,954.87 | 21,988.71 | 21,987.40 | 21,983.24 | 21,918.01 |
| Credit | 21,438.62 | 22,464.53 | 22,473.73 | 22,711.93 | 22,800.73 |
| Debit | (483.76) | (475.83) | (486.33) | (728.69) | (882.72) |
| General government | 1,448.28 | 1,730.30 | 1,772.25 | 1,730.92 | 1,812.73 |
| Credit /4 | 1,618.45 | 1,848.16 | 1,935.72 | 1,912.28 | 1,876.19 |
| Debit | (170.17) | (117.86) | (163.47) | (181.36) | (63.46) |
| Other sectors | 19,506.59 | 20,258.40 | 20,215.15 | 20,252.32 | 20,105.28 |
| Credit | 19,820.17 | 20,616.37 | 20,538.01 | 20,799.65 | 20,924.54 |
| Debit | (313.59) | (357.97) | (322.86) | (547.33) | (819.26) |
| Workers' remittances | 19,785.37 | 20,574.47 | 20,503.70 | 20,748.72 | 20,761.57 |
| Credit | 19,814.40 | 20,606.98 | 20,527.92 | 20,776.32 | 20,799.01 |
| Debit | (29.04) | (32.51) | (24.22) | (27.60) | (37.44) |
| Other Transfers | (278.78) | (316.06) | (288.55) | (496.40) | (656.28) |
| Credit | 5.77 | 9.40 | 10.09 | 23.33 | 125.54 |
| **Debit** | **(284.55)** | **(325.46)** | **(298.64)** | **(519.73)** | **(781.82)** |
| **CAPITAL AND FINANCIAL ACCOUNT** | **2,057.57** | **(5,448.69)** | **(12,476.46)** | **7,748.83** | **13,128.90** |
| Capital account(net) | - | - | - | - | - |
| Credit | - | - | - | - | - |
| Debit | - | - | - | - | - |
| Capital transfers | - | - | - | - | - |
| Credit | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Debt Forgiveness | - | - | - | - | - |
| Other Sector | - | - | - | - | - |
| Debit | - | - | - | - | - |
| Acquisition/disposal of nonproduced, nonfin assets | - | - | - | - | - |
| Credit | | | | | |
| Debit | | | | | |

# Table 57 Cont'd
# Balance of Payments
# (US$' Million)

| | | | | | |
|---|---|---|---|---|---|
| **Financial account(net)** | **2,057.57** | **(5,448.69)** | **(12,476.46)** | **7,748.83** | **13,128.90** |
| **Assets** | (5,621.11) | (20,292.63) | (37,619.19) | (13,854.40) | (7,519.04) |
| Direct investment (Abroad) | (922.72) | (823.58) | (1,542.56) | (1,237.50) | (1,614.29) |
| Equity capital | (909.90) | (798.37) | (1,513.24) | (1,209.42) | (1,585.84) |
| Claims on direct investment enterprises | (909.90) | (798.37) | (1,513.24) | (1,209.42) | (1,585.84) |
| Liabilities to direct investors | | | | | |
| Reinvested earnings | (12.82) | (25.21) | (29.32) | (28.08) | (28.45) |
| Other capital | - | - | - | - | - |
| Claims on direct investment enterprises | | | | | |
| **Liabilities to direct investors** | | | | | |
| Portfolio investment | (1,130.24) | (1,622.92) | (2,086.21) | (3,246.61) | (3,449.14) |
| Equity securities | (1,036.06) | (1,487.67) | (1,912.36) | (2,597.29) | (2,759.32) |
| Debt securities | (94.19) | (135.24) | (173.85) | (649.32) | (689.83) |
| Long-term | | | | | |
| **Short-term** | **(94.19)** | **(135.24)** | **(173.85)** | **(649.32)** | **(689.83)** |
| Other investment | (13,611.38) | (17,537.69) | (22,802.43) | (10,358.41) | (10,908.07) |
| Trade credits | (7,383.49) | (7,146.37) | (8,046.68) | (10,291.86) | (12,981.38) |
| Loans | (227.47) | (199.59) | (378.31) | (302.35) | 886.87 |
| Currency and deposits | (6,000.42) | (10,191.72) | (14,377.44) | 235.80 | 1,186.43 |
| Monetary authorities | | | | | |
| General government | (724.09) | (1,429.53) | 869.23 | (170.05) | 678.59 |
| Banks | (143.21) | (2,152.70) | 555.23 | (639.55) | 1,030.46 |
| Other sectors | (5,133.12) | (6,609.49) | (15,801.91) | 1,045.41 | (522.62) |
| **Other Assets** | | | | | |
| Reserve assets | 10,043.24 | (308.44) | (11,187.99) | 988.12 | 8,452.47 |
| Monetary Gold | | | | | |
| SDRs | | | | | |
| Reserve Positions in the Fund | | | | | |
| Foreign exchange | 10,043.24 | (308.44) | (11,187.99) | 988.12 | 8,452.47 |
| **Other Claims** | | | | | |
| **Liabilities** | **7,678.68** | **14,843.94** | **25,142.73** | **21,603.23** | **20,647.94** |
| Direct Invesment in reporting economy | 6,098.96 | 8,914.89 | 7,127.38 | 5,608.46 | 4,693.83 |
| Equity capital | 3,199.32 | 5,748.21 | 4,071.81 | 2,890.70 | 2,021.39 |
| Claims on direct investors | | | | | |
| Liabilities to direct investors | 3,199.32 | 5,748.21 | 4,071.81 | 2,890.70 | 2,021.39 |
| Reinvested earnings | 2,839.04 | 2,912.25 | 2,987.71 | 2,688.94 | 2,659.41 |
| Other capital | 60.60 | 254.43 | 67.86 | 28.83 | 13.03 |
| Claims on direct investors | | | | | |
| **Liabilities to direct investors** | **60.60** | **254.43** | **67.86** | **28.83** | **13.03** |
| Portfolio Investment | 3,747.90 | 5,192.80 | 17,200.49 | 13,652.16 | 5,292.77 |
| Equity securities | 2,179.28 | 2,592.28 | 10,039.98 | 5,577.41 | 1,044.96 |
| Debt securities | 1,568.62 | 2,600.52 | 7,160.51 | 8,074.74 | 4,247.81 |
| Long-term | 684.91 | 1,845.44 | 6,002.19 | 7,010.18 | 3,222.80 |
| **Short-term** | **883.71** | **755.08** | **1,158.32** | **1,064.56** | **1,025.01** |
| Other investment liabilities | (2,168.19) | 736.25 | 814.86 | 2,342.62 | 10,661.35 |
| Trade credits | - | - | - | - | - |
| Short-term | - | - | - | - | - |
| Long-term | - | - | - | - | - |
| Loans | (1,942.90) | (637.57) | 886.73 | 1,480.96 | 7,053.58 |
| General government | 722.13 | 1,006.81 | 644.96 | 2,203.04 | 1,002.32 |
| Long-term | 722.13 | 1,006.81 | 644.96 | 2,203.04 | 1,002.32 |
| Drawings | 975.11 | 1,238.92 | 803.60 | 2,367.60 | 1,123.02 |
| Repayments | (252.98) | (232.11) | (158.64) | (164.56) | (120.70) |
| short-term | | | | | |
| Monetary authorities | | | | | |
| Banks | (93.18) | 687.03 | (148.98) | 646.54 | 2,433.18 |
| Other sectors | (2,571.85) | (2,331.41) | 390.75 | (1,368.62) | 3,618.08 |
| Long-term | (2,571.85) | (2,331.41) | 390.75 | (1,368.62) | 3,618.08 |
| Short-term | - | - | - | - | - |
| Currency & Deposits | (225.29) | 1,373.82 | (71.87) | 861.65 | 3,607.77 |
| Monetary Authority | - | - | - | - | - |
| Banks | (225.29) | 1,373.82 | (71.87) | 861.65 | 3,607.77 |
| Other Liabilities -monetary authority SDR allocation | - | - | - | - | - |
| **NET ERRORS AND OMISSIONS** | **(15,327.04)** | **(5,308.77)** | **(5,039.05)** | **(26,953.98)** | **(14,407.59)** |

| **Memorandum Items:** | **2010 /2** | **2011 /2** | **2012 /2** | **2013 /2** | **2014 /1** |
|---|---|---|---|---|---|
| **Current Account Balance as % of G.D.P.** | **3.61** | **2.61** | **3.82** | **3.74** | **0.25** |
| **Capital and Financial Account Balance as % of G.D.P.** | **0.56** | **(1.32)** | **(2.72)** | **1.51** | **2.58** |
| **Overall Balance as % of G.D.P.** | **(2.73)** | **0.07** | **2.44** | **(0.19)** | **(1.66)** |
| **External Reserves - Stock (US $ million)** | **32,339.25** | **32,639.78** | **43,830.42** | **42,847.31** | **34,241.54** |
| **Number of Months of Imports Equivalent** | **7.74** | **5.87** | **9.16** | **9.30** | **6.67** |
| **External Debt Stock (US$ million)** | **4,578.77** | **5,666.58** | **6,527.07** | **8,821.90** | **9,711.45** |
| **Debt Service Due as % of Exports of Goods and Non Factor Services** | **-** | **-** | **-** | **-** | **-** |
| **Effective Central Exchange Rate (N/$)** | **148.51** | **152.59** | **156.23** | **156.03** | **157.27** |
| **Average Exchange Rate (N/$)** | **150.30** | **153.86** | **157.50** | **157.31** | **158.55** |
| **End-Period Exchange Rate (N/$)** | **150.66** | **158.27** | **157.33** | **157.26** | **169.68** |

1/ Provisional
2/ Revised
3/ Covers data on import of PMS under the Petroleum Support Fund Scheme from the PPPRA, import of PMS data from the NNPC as well as data on import of AGO, DPK and ATK by other markets from the NCS
4/ The series on transfers to Government (credit) were revised using more reliable data on Official Development Assistance from the National Planning Commission (NPC)
Source: Central Bank of Nigeria

## Table 58
## Balance of Payments
## (Naira Million)

| | 2010 /2 | 2011 /2 | 2012 /2 | 2013 /2 | 2014 /1 |
|---|---|---|---|---|---|
| **CURRENT ACCOUNT** | **1,970,592.13** | **1,641,463.22** | **2,736,448.26** | **2,996,626.99** | **201,098.72** |
| **Goods** | **4,523,691.41** | **5,051,020.86** | **6,172,470.84** | **6,634,107.62** | **3,301,464.59** |
| Credit | 11,966,496.77 | 15,240,227.14 | 15,139,454.23 | 15,262,822.03 | 12,988,296.27 |
| Debit | (7,442,805.36) | (10,189,206.28) | (8,966,983.39) | (8,628,714.40) | (9,686,831.68) |
| ***Exports fob*** | ***11,966,496.77*** | ***15,240,227.14*** | ***15,139,454.23*** | ***15,262,822.03*** | ***12,988,296.27*** |
| Crude oil & gas | 11,257,633.92 | 14,326,518.71 | 14,259,789.74 | 14,132,595.70 | 12,033,543.22 |
| Crude oil | 10,120,577.75 | 12,674,132.38 | 12,562,817.97 | 12,660,929.59 | 10,399,821.26 |
| Gas | 1,137,056.17 | 1,652,386.33 | 1,696,971.77 | 1,471,666.12 | 1,633,721.96 |
| Non-oil | 708,862.85 | 913,708.43 | 879,664.49 | 1,130,226.32 | 954,753.05 |
| *Electricity* | *8,451.46* | *14,300.58* | *16,028.87* | *16,243.76* | *18,139.59* |
| *Other Non-oil* | 700,411.39 | 899,407.85 | 863,635.62 | 1,113,982.57 | 936,613.46 |
| **Imports fob** | ***(7,442,805.36)*** | ***(10,189,206.28)*** | ***(8,966,983.39)*** | ***(8,628,714.40)*** | ***(9,686,831.68)*** |
| Crude oil & gas /3 | (1,665,976.13) | (2,952,514.62) | (2,971,840.31) | (2,371,004.48) | (2,171,271.12) |
| Non-oil | (5,776,829.23) | (7,236,691.66) | (5,995,143.09) | (6,257,709.92) | (7,515,560.55) |
| Trading Partner Adjustment | - | - | - | - | - |
| **Services(net)** | **(2,743,227.07)** | **(3,259,468.68)** | **(3,392,666.72)** | **(3,052,898.88)** | **(3,533,240.15)** |
| Credit | 462,996.66 | 521,060.52 | 378,041.74 | 376,944.30 | 313,179.16 |
| Debit | (3,206,223.73) | (3,780,529.20) | (3,770,708.45) | (3,429,843.18) | (3,846,419.31) |
| Transportation(net) | (980,372.87) | (995,072.77) | (1,308,319.27) | (1,166,539.93) | (1,258,876.30) |
| Credit | 296,057.57 | 244,243.51 | 219,606.87 | 172,927.07 | 121,785.91 |
| Debit | (1,276,430.44) | (1,239,316.28) | (1,527,926.14) | (1,339,467.01) | (1,380,662.21) |
| Of which: Passenger | (393,014.80) | (441,503.56) | (474,890.10) | (505,084.54) | (514,062.55) |
| Credit | 25,052.51 | 10,070.83 | 13,148.99 | 12,227.17 | 9,776.83 |
| Debit | (418,067.31) | (451,574.39) | (488,039.09) | (517,311.71) | (523,839.38) |
| Of which: Freight | (618,783.36) | (582,893.62) | (863,898.87) | (693,030.60) | (732,255.60) |
| Credit | 213,625.43 | 161,430.79 | 135,703.81 | 86,502.70 | 54,431.06 |
| Debit | (832,408.79) | (744,324.41) | (999,602.68) | (779,533.30) | (786,686.66) |
| Of which: Other | 31,425.29 | 29,324.42 | 30,469.69 | 31,575.20 | (12,558.15) |
| Credit | 57,379.63 | 72,741.89 | 70,754.07 | 74,197.20 | 57,578.02 |
| Debit | (25,954.34) | (43,417.47) | (40,284.37) | (42,621.99) | (70,136.17) |
| Travel | (751,082.80) | (919,356.63) | (879,893.37) | (837,828.96) | (750,043.12) |
| Credit | 85,529.78 | 95,886.34 | 87,335.69 | 84,630.47 | 85,417.91 |
| Debit | (836,612.58) | (1,015,242.96) | (967,229.07) | (922,459.43) | (835,461.03) |
| Business travel | (113,519.54) | (169,534.00) | (129,646.22) | (107,696.68) | (103,202.74) |
| Credit | - | - | - | - | - |
| Debit | (113,519.54) | (169,534.00) | (129,646.22) | (107,696.68) | (103,202.74) |
| Personal travel | (637,563.26) | (749,822.63) | (750,247.16) | (730,132.28) | (646,840.38) |
| Credit | 85,529.78 | 95,886.34 | 87,335.69 | 84,630.47 | 85,417.91 |
| Debit | (723,093.04) | (845,708.96) | (837,582.85) | (814,762.75) | (732,258.29) |
| Education related expenditure | (358,712.96) | (411,120.21) | (400,978.63) | (390,998.66) | (352,063.59) |
| Credit | - | - | - | - | - |
| Debit | (358,712.96) | (411,120.21) | (400,978.63) | (390,998.66) | (352,063.59) |
| Health related expenditure | (149,840.02) | (169,512.59) | (162,849.62) | (155,681.19) | (131,362.97) |
| Credit | - | - | - | - | - |
| Debit | (149,840.02) | (169,512.59) | (162,849.62) | (155,681.19) | (131,362.97) |
| Other Personal Travels | (129,010.28) | (169,189.82) | (186,418.91) | (183,452.42) | (163,413.82) |
| Credit | 85,529.78 | 95,886.34 | 87,335.69 | 84,630.47 | 85,417.91 |
| Debit | (214,540.06) | (265,076.16) | (273,754.60) | (268,082.89) | (248,831.73) |
| Insurance services | (75,223.00) | (107,977.18) | (114,304.92) | (34,112.54) | (49,211.73) |
| Credit | 151.27 | 253.03 | 278.12 | 642.35 | 3,484.15 |
| Debit | (75,374.28) | (108,230.21) | (114,583.04) | (34,754.89) | (52,695.87) |
| Communication services | (35,633.94) | (27,609.33) | (56,594.32) | (81,197.95) | (128,991.22) |
| Credit | 7,128.27 | 7,690.45 | 7,956.79 | 8,126.17 | 8,435.95 |
| Debit | (42,762.22) | (35,299.78) | (64,551.11) | (89,324.12) | (137,427.17) |
| Construction services | (19,381.48) | (13,645.97) | (17,494.64) | (13,622.73) | (11,008.88) |
| Credit | - | - | - | - | - |
| Debit | (19,381.48) | (13,645.97) | (17,494.64) | (13,622.73) | (11,008.88) |
| Financial services | (2,990.82) | (46,424.21) | (66,032.92) | (113,306.46) | (192,994.86) |
| Credit | 2,078.27 | 2,458.67 | 1,771.84 | 3,462.95 | 2,224.32 |
| Debit | (5,069.09) | (48,882.88) | (67,804.76) | (116,769.42) | (195,219.18) |
| Computer & information services | (18,597.37) | (25,372.38) | (27,695.67) | (49,246.98) | (109,894.90) |
| Credit | - | - | - | - | - |
| Debit | (18,597.37) | (25,372.38) | (27,695.67) | (49,246.98) | (109,894.90) |
| Royalties and license fees | (33,575.65) | (32,803.43) | (39,501.19) | (40,677.67) | (39,764.08) |
| Credit | - | - | - | - | - |
| Debit | (33,575.65) | (32,803.43) | (39,501.19) | (40,677.67) | (39,764.08) |
| Other business services | (667,686.22) | (920,846.84) | (682,884.66) | (517,366.52) | (749,447.49) |
| Credit | 2,739.94 | 5,497.88 | 8,649.47 | 31,688.60 | 15,726.46 |
| Debit | (670,426.16) | (926,344.72) | (691,534.13) | (549,055.12) | (765,173.96) |

## Table 58 Cont'd
## Balance of Payments
## (Naira Million)

| | | | | | |
|---|---|---|---|---|---|
| Operational leasing services | (166,830.32) | (287,533.00) | (232,316.79) | (171,627.67) | (176,637.28) |
| Credit | - | - | - | - | - |
| Debit | (166,830.32) | (287,533.00) | (232,316.79) | (171,627.67) | (176,637.28) |
| Misc. business, professional, and technical services | (500,855.90) | (633,313.84) | (450,567.87) | (345,738.85) | (572,810.21) |
| Credit | 2,739.94 | 5,497.88 | 8,649.47 | 31,688.60 | 15,726.46 |
| Debit | (503,595.84) | (638,811.72) | (459,217.34) | (377,427.45) | (588,536.67) |
| Personal, cultural & recreational services | (7,882.68) | (12,167.39) | (11,571.49) | (3,233.15) | (47,418.56) |
| Credit | - | - | - | - | - |
| Debit | (7,882.68) | (12,167.39) | (11,571.49) | (3,233.15) | (47,418.56) |
| Government Services | (150,800.23) | (158,192.55) | (188,374.27) | (195,765.98) | (195,589.02) |
| Credit | 69,311.55 | 165,030.64 | 52,442.95 | 75,466.68 | 76,104.46 |
| Debit | (220,111.77) | (323,223.18) | (240,817.22) | (271,232.66) | (271,693.48) |
| **Income(net)** | **(2,921,789.13)** | **(3,505,308.47)** | **(3,478,447.54)** | **(4,014,681.40)** | **(3,014,165.44)** |
| Credit | 149,959.67 | 138,095.92 | 150,653.55 | 138,566.78 | 256,827.45 |
| Debit | (3,071,748.80) | (3,643,404.39) | (3,629,101.10) | (4,153,248.19) | (3,270,992.90) |
| Compensation of employees | 22,212.52 | 21,107.60 | 26,115.63 | 26,206.20 | 28,213.96 |
| Credit | 25,035.98 | 27,764.72 | 28,427.36 | 29,841.22 | 31,466.47 |
| Debit | (2,823.46) | (6,657.12) | (2,311.74) | (3,635.01) | (3,252.51) |
| Investment income | (2,944,001.65) | (3,526,416.07) | (3,504,563.17) | (4,040,887.61) | (3,042,379.40) |
| Credit | 124,923.69 | 110,331.20 | 122,226.19 | 108,725.57 | 225,360.99 |
| Debit | (3,068,925.34) | (3,636,747.26) | (3,626,789.36) | (4,149,613.17) | (3,267,740.39) |
| Direct investment | (2,978,258.30) | (3,506,908.71) | (3,457,683.03) | (3,924,052.11) | (3,043,367.41) |
| Credit | 21,356.30 | 42,696.40 | 50,862.62 | 49,173.64 | 49,807.15 |
| Debit | (2,999,614.60) | (3,549,605.11) | (3,508,545.65) | (3,973,225.75) | (3,093,174.56) |
| Income on equity | (2,972,431.87) | (3,499,921.80) | (3,452,837.77) | (3,914,115.74) | (3,037,159.40) |
| Credit | 20,947.91 | 42,307.30 | 50,392.37 | 48,721.15 | 49,342.20 |
| Debit | (2,993,379.77) | (3,542,229.10) | (3,503,230.14) | (3,962,836.89) | (3,086,501.60) |
| Dividends and distributed branch profits | (2,552,722.60) | (3,059,392.64) | (2,990,648.96) | (3,498,935.26) | (2,623,389.56) |
| Credit | 19,043.55 | 38,461.18 | 45,811.24 | 44,339.76 | 44,867.33 |
| Debit | (2,571,766.15) | (3,097,853.82) | (3,036,460.21) | (3,543,275.02) | (2,668,256.89) |
| Reinvested earnings and undistributed branch profit | (419,709.27) | (440,529.16) | (462,188.81) | (415,180.48) | (413,769.83) |
| Credit | 1,904.36 | 3,846.12 | 4,581.12 | 4,381.39 | 4,474.87 |
| Debit | (421,613.62) | (444,375.28) | (466,769.93) | (419,561.87) | (418,244.71) |
| Income on Direct Investment Loans (interest) | (5,826.43) | (6,986.91) | (4,845.25) | (9,936.37) | (6,208.01) |
| Credit | 408.39 | 389.10 | 470.25 | 452.49 | 464.95 |
| Debit | (6,234.82) | (7,376.01) | (5,315.51) | (10,388.86) | (6,672.97) |
| Portfolio investment | (48,097.19) | (61,364.83) | (91,534.25) | (141,805.94) | (80,691.49) |
| Credit | 2,953.29 | 2,818.89 | 3,203.10 | 3,239.23 | 3,864.16 |
| Debit | (51,050.48) | (64,183.72) | (94,737.35) | (145,045.17) | (84,555.64) |
| Other investment | 82,353.84 | 41,857.47 | 44,654.11 | 24,970.44 | 81,679.49 |
| Income on debt (interest) | 82,353.84 | 41,857.47 | 44,654.11 | 24,970.44 | 81,679.49 |
| Credit | 100,614.10 | 64,815.91 | 68,160.47 | 56,312.69 | 171,689.68 |
| Debit | (18,260.26) | (22,958.44) | (23,506.37) | (31,342.25) | (90,010.19) |
| **Current transfers(net)** | **3,111,916.92** | **3,355,219.50** | **3,435,091.69** | **3,430,099.65** | **3,447,039.73** |
| Credit | 3,183,757.61 | 3,427,824.86 | 3,511,070.50 | 3,543,798.94 | 3,585,865.04 |
| Debit | (71,840.68) | (72,605.36) | (75,978.81) | (113,699.30) | (138,825.31) |
| General government | 215,077.84 | 264,024.17 | 276,878.62 | 270,079.77 | 285,087.42 |
| Credit /4 | 240,349.05 | 282,007.59 | 302,417.54 | 298,377.83 | 295,067.51 |
| Debit | (25,271.21) | (17,983.43) | (25,538.92) | (28,298.05) | (9,980.09) |
| Other sectors | 2,896,839.09 | 3,091,195.34 | 3,158,213.07 | 3,160,019.87 | 3,161,952.31 |
| Credit | 2,943,408.56 | 3,145,817.27 | 3,208,652.96 | 3,245,421.12 | 3,290,797.53 |
| Debit | (46,569.47) | (54,621.93) | (50,439.89) | (85,401.24) | (128,845.22) |
| Workers' remittances | 2,938,239.48 | 3,139,422.99 | 3,203,293.05 | 3,237,474.65 | 3,265,165.86 |
| Credit | 2,942,551.34 | 3,144,383.44 | 3,207,076.94 | 3,241,781.15 | 3,271,054.04 |
| Debit | (4,311.86) | (4,960.44) | (3,783.89) | (4,306.50) | (5,888.18) |
| Other Transfers | (41,400.39) | (48,227.66) | (45,079.98) | (77,454.78) | (103,213.55) |
| Credit | 857.22 | 1,433.83 | 1,576.02 | 3,639.97 | 19,743.49 |
| Debit | (42,257.61) | (49,661.49) | (46,656.00) | (81,094.75) | (122,957.04) |
| **CAPITAL AND FINANCIAL ACCOUNT** | **305,561.31** | **(831,406.39)** | **(1,949,196.86)** | **1,209,069.77** | **2,064,778.97** |
| Capital account(net) | - | - | - | - | - |
| Credit | - | - | - | - | - |
| Debit | - | - | - | - | - |
| Capital transfers | - | - | - | - | - |
| Credit | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Debt Forgiveness | - | - | - | - | - |
| Other Sector | - | - | - | - | - |
| Debit | - | - | - | - | - |
| Acquisition/disposal of nonproduced, nonfin assets | - | - | - | - | - |
| Credit | - | - | - | - | - |
| Debit | - | - | - | - | - |

# Table 58 Cont'd
## Balance of Payments
## (Naira Million)

| | | | | | |
|---|---|---|---|---|---|
| **Financial account(net)** | **305,561.31** | **(831,406.39)** | **(1,949,196.86)** | **1,209,069.77** | **2,064,778.97** |
| **Assets** | **(834,766.15)** | **(3,096,417.41)** | **(5,877,245.84)** | **(2,161,736.94)** | **(1,182,517.57)** |
| Direct investment (Abroad) | (137,029.22) | (125,668.71) | (240,994.48) | (193,089.72) | (253,879.67) |
| Equity capital | (135,124.86) | (121,822.60) | (236,413.36) | (188,708.33) | (249,404.79) |
| Claims on direct investment enterprises | (135,124.86) | (121,822.60) | (236,413.36) | (188,708.33) | (249,404.79) |
| Liabilities to direct investors | - | - | - | - | - |
| Reinvested earnings | (1,904.36) | (3,846.12) | (4,581.12) | (4,381.39) | (4,474.87) |
| Other capital | - | - | - | - | - |
| Claims on direct investment enterprises | - | - | - | - | - |
| Liabilities to direct investors | - | - | - | - | - |
| **Portfolio investment** | **(167,847.68)** | **(247,637.99)** | **(325,927.96)** | **(506,577.06)** | **(542,445.97)** |
| Equity securities | (153,860.37) | (227,001.49) | (298,767.30) | (405,261.65) | (433,956.78) |
| Debt securities | (13,987.31) | (20,636.50) | (27,160.66) | (101,315.41) | (108,489.19) |
| Long-term | - | - | - | - | - |
| Short-term | (13,987.31) | (20,636.50) | (27,160.66) | (101,315.41) | (108,489.19) |
| **Other investment** | **(2,021,367.65)** | **(2,676,046.36)** | **(3,562,423.72)** | **(1,616,248.99)** | **(1,715,509.65)** |
| Trade credits | (1,096,490.59) | (1,090,453.18) | (1,257,132.41) | (1,605,864.65) | (2,041,577.47) |
| Loans | (33,781.22) | (30,455.65) | (59,103.34) | (47,177.08) | 139,478.23 |
| Currency and deposits | (891,095.84) | (1,555,137.54) | (2,246,187.97) | 36,792.74 | 186,589.60 |
| Monetary authorities | - | - | - | - | - |
| General government | (107,531.49) | (218,129.24) | 135,800.39 | (26,534.01) | 106,721.88 |
| Banks | (21,266.77) | (328,477.46) | 86,744.04 | (99,791.19) | 162,060.03 |
| Other sectors | (762,297.58) | (1,008,530.84) | (2,468,732.40) | 163,117.94 | (82,192.31) |
| Other Assets | - | - | - | - | - |
| **Reserve assets** | **1,491,478.39** | **(47,064.34)** | **(1,747,899.68)** | **154,178.83** | **1,329,317.72** |
| Monetary Gold | - | - | - | - | - |
| SDRs | - | - | - | - | - |
| Reserve Positions in the Fund | - | - | - | - | - |
| Foreign exchange | 1,491,478.39 | (47,064.34) | (1,747,899.68) | 154,178.83 | 1,329,317.72 |
| Other Claims | - | - | - | - | - |
| **Liabilities** | **1,140,327.46** | **2,265,011.02** | **3,928,048.99** | **3,370,806.71** | **3,247,296.54** |
| **Direct Invesment in reporting economy** | **905,730.77** | **1,360,307.91** | **1,113,510.58** | **875,102.46** | **738,197.19** |
| Equity capital | 475,117.39 | 877,109.59 | 636,138.88 | 451,042.79 | 317,903.93 |
| Claims on direct investors | - | - | - | - | - |
| Liabilities to direct investors | 475,117.39 | 877,109.59 | 636,138.88 | 451,042.79 | 317,903.93 |
| Reinvested earnings | 421,613.62 | 444,375.28 | 466,769.93 | 419,561.87 | 418,244.71 |
| Other capital | 8,999.76 | 38,823.04 | 10,601.77 | 4,497.79 | 2,048.55 |
| Claims on direct investors | - | - | - | - | - |
| Liabilities to direct investors | 8,999.76 | 38,823.04 | 10,601.77 | 4,497.79 | 2,048.55 |
| **Portfolio Investment** | **556,585.07** | **792,360.22** | **2,687,232.51** | **2,130,179.91** | **832,392.02** |
| Equity securities | 323,635.60 | 395,550.99 | 1,568,545.45 | 870,257.55 | 164,339.89 |
| Debt securities | 232,949.47 | 396,809.23 | 1,118,687.06 | 1,259,922.35 | 668,052.12 |
| Long-term | 101,712.87 | 281,593.01 | 937,722.73 | 1,093,816.08 | 506,848.66 |
| Short-term | 131,236.60 | 115,216.22 | 180,964.33 | 166,106.27 | 161,203.47 |
| **Other investment liabilities** | **(321,988.38)** | **112,342.88** | **127,305.90** | **365,524.34** | **1,676,707.34** |
| Trade credits | - | - | - | - | - |
| Short-term | - | - | - | - | - |
| Long-term | - | - | - | - | - |
| Loans | (288,531.95) | (97,285.73) | 138,533.80 | 231,078.65 | 1,109,314.86 |
| General government | 107,240.42 | 153,627.43 | 100,762.10 | 343,745.84 | 157,634.99 |
| Long-term | 107,240.42 | 153,627.43 | 100,762.10 | 343,745.84 | 157,634.99 |
| Drawings | 144,809.39 | 189,044.70 | 125,546.43 | 369,422.55 | 176,617.25 |
| Repayments | (37,568.97) | (35,417.27) | (24,784.33) | (25,676.71) | (18,982.26) |
| short-term | - | - | - | - | - |
| Monetary authorities | - | - | - | - | - |
| Banks | (13,837.98) | 104,832.74 | (23,275.17) | 100,881.38 | 382,665.17 |
| Other sectors | (381,934.38) | (355,745.89) | 61,046.87 | (213,548.58) | 569,014.70 |
| Long-term | (381,934.38) | (355,745.89) | 61,046.87 | (213,548.58) | 569,014.70 |
| Short-term | - | - | - | - | - |
| Currency & Deposits | (33,456.44) | 209,628.61 | (11,227.91) | 134,445.69 | 567,392.48 |
| Monetary Authority | - | - | - | - | - |
| Banks | (33,456.44) | 209,628.61 | (11,227.91) | 134,445.69 | 567,392.48 |
| Other Liabilities -monetary authority SDR allocation | - | - | - | - | - |
| **NET ERRORS AND OMISSIONS** | **(2,276,153.44)** | **(810,056.82)** | **(787,251.40)** | **(4,205,696.75)** | **(2,265,877.69)** |

| **Memorandum Items:** | **2010 /2** | **2011 /2** | **2012 /2** | **2013 /2** | **2014 /1** |
|---|---|---|---|---|---|
| **Current Account Balance as % of G.D.P.** | **3.61** | **2.61** | **3.82** | **3.74** | **0.25** |
| **Capital and Financial Account Balance as % of G.D.P.** | **0.56** | **(1.32)** | **(2.72)** | **1.51** | **2.58** |
| **Overall Balance as % of G.D.P.** | **(2.73)** | **0.07** | **2.44** | **(0.19)** | **(1.66)** |
| **External Reserves - Stock (US $ million)** | **32,339.25** | **32,639.78** | **43,830.42** | **42,847.31** | **34,241.54** |
| **Number of Months of Imports Equivalent** | **7.74** | **5.87** | **9.16** | **9.30** | **6.67** |
| **External Debt Stock (US$ million)** | **4,578.77** | **5,666.58** | **6,527.07** | **8,821.90** | **9,711.45** |
| **Debt Service Due as % of Exports of Goods and Non Factor Services** | **-** | **-** | **-** | **-** | **-** |
| **Effective Central Exchange Rate (N/$)** | **148.51** | **152.59** | **156.23** | **156.03** | **157.27** |
| **Average Exchange Rate (N/$)** | **150.30** | **153.86** | **157.50** | **157.31** | **158.55** |
| **End-Period Exchange Rate (N/$)** | **150.66** | **158.27** | **157.33** | **157.26** | **169.68** |

1/ Provisional
2/ Revised
3/ Covers data on import of PMS under the Petroleum Support Fund Scheme from the PPPRA, import of PMS data from the NNPC as well as data on import of AGO, DPK and ATK by other
markets from the NCS
4/ The series on transfers to Government (credit) were revised using more reliable data on Official Development Assistance from the National Planning Commission (NPC)
Source: Central Bank of Nigeria

# Table 59
## Balance of Payments Analytic Presentation
## (US$' Million)

| | 2010 /2 | 2011 /2 | 2012 /2 | 2013 /2 | 2014 /1 |
|---|---|---|---|---|---|
| **CURRENT ACCOUNT** | **13,269.47** | **10,757.46** | **17,515.51** | **19,205.15** | **1,278.69** |
| **Goods** | **30,461.40** | **33,102.28** | **39,508.87** | **42,517.47** | **20,992.37** |
| *Exports (fob)* | *80,579.38* | *99,878.08* | *96,904.91* | *97,818.22* | *82,586.11* |
| Oil and Gas | 75,806.07 | 93,890.02 | 91,274.34 | 90,574.69 | 76,515.31 |
| Non-oil and Electricity | 4,773.30 | 5,988.06 | 5,630.57 | 7,243.53 | 6,070.80 |
| *Imports (fob)* | *(50,117.98)* | *(66,775.80)* | *(57,396.04)* | *(55,300.75)* | *(61,593.74)* |
| Oil and Gas /3 | (11,218.26) | (19,349.55) | (19,022.21) | (15,195.58) | (13,806.03) |
| Non-oil | (38,899.71) | (47,426.26) | (38,373.83) | (40,105.17) | (47,787.71) |
| Unrecorded(TPAdj) | - | - | - | - | - |
| **Services(net)** | **(18,472.20)** | **(21,361.20)** | **(21,715.85)** | **(19,565.79)** | **(22,466.12)** |
| *Credit* | 3,117.70 | 3,414.81 | 2,419.78 | 2,415.81 | 1,991.35 |
| Transportation | 1,993.58 | 1,600.67 | 1,405.66 | 1,108.28 | 774.38 |
| Travel | 575.94 | 628.40 | 559.02 | 542.39 | 543.13 |
| Insurance Services | 1.02 | 1.66 | 1.78 | 4.12 | 22.15 |
| Communication Services | 48.00 | 50.40 | 50.93 | 52.08 | 53.64 |
| Construction Services | - | - | - | - | - |
| Financial Services | 13.99 | 16.11 | 11.34 | 22.19 | 14.14 |
| Computer & information Services | - | - | - | - | - |
| Royalties and License Fees | - | - | - | - | - |
| Government Services | 466.73 | 1,081.54 | 335.68 | 483.66 | 483.91 |
| Personal, cultural & recreational services | - | - | - | - | - |
| Other Bussiness Services | 18.45 | 36.03 | 55.36 | 203.09 | 100.00 |
| *Debit* | (21,589.90) | (24,776.01) | (24,135.62) | (21,981.59) | (24,457.47) |
| Transportation | (8,595.16) | (8,121.96) | (9,779.98) | (8,584.54) | (8,778.94) |
| Travel | (5,633.54) | (6,653.48) | (6,191.06) | (5,911.97) | (5,312.28) |
| Insurance Services | (507.55) | (709.30) | (733.43) | (222.74) | (335.07) |
| Communication Services | (287.95) | (231.34) | (413.18) | (572.47) | (873.83) |
| Construction Services | (130.51) | (89.43) | (111.98) | (87.31) | (70.00) |
| Financial Services | (34.13) | (320.36) | (434.01) | (748.37) | (1,241.30) |
| Computer & information Services | (125.23) | (166.28) | (177.28) | (315.62) | (698.77) |
| Royalties and License Fees | (226.09) | (214.98) | (252.84) | (260.70) | (252.84) |
| Government Services | (1,482.18) | (2,118.27) | (1,541.43) | (1,738.31) | (1,727.56) |
| Personal, cultural & recreational services | (53.08) | (79.74) | (74.07) | (20.72) | (301.51) |
| Other Bussiness Services | (4,514.48) | (6,070.88) | (4,426.39) | (3,518.85) | (4,865.36) |
| **Income(net)** | **(19,674.59)** | **(22,972.33)** | **(22,264.91)** | **(25,729.78)** | **(19,165.58)** |
| *Credit* | *1,009.79* | *905.02* | *964.31* | *888.06* | *1,633.04* |
| Investment Income | 841.20 | 723.06 | 782.35 | 696.81 | 1,432.96 |
| Compensation of employees | 168.59 | 181.96 | 181.96 | 191.25 | 200.08 |

# Table 59 Cont'd
## Balance of Payments Analytic Presentation
## (US$' Million)

| | | | | | |
|---|---|---|---|---|---|
| *Debit* | *(20,684.38)* | *(23,877.35)* | *(23,229.22)* | *(26,617.84)* | *(20,798.62)* |
| Investment Income | (20,665.37) | (23,833.72) | (23,214.42) | (26,594.54) | (20,777.94) |
| Compensation of employees | (19.01) | (43.63) | (14.80) | (23.30) | (20.68) |
| **Current transfers(net)** | **20,954.87** | **21,988.71** | **21,987.40** | **21,983.24** | **21,918.01** |
| *Credit* | *21,438.62* | *22,464.53* | *22,473.73* | *22,711.93* | *22,800.73* |
| General Government | 1,618.45 | 1,848.16 | 1,935.72 | 1,912.28 | 1,876.19 |
| Other Sectors | 19,820.17 | 20,616.37 | 20,538.01 | 20,799.65 | 20,924.54 |
| Workers Remittance | 19,814.40 | 20,606.98 | 20,527.92 | 20,776.32 | 20,799.01 |
| *Debit* | *(483.76)* | *(475.83)* | *(486.33)* | *(728.69)* | *(882.72)* |
| General Government | (170.17) | (117.86) | (163.47) | (181.36) | (63.46) |
| Other Sectors | (313.59) | (357.97) | (322.86) | (547.33) | (819.26) |
| Workers Remittance | (29.04) | (32.51) | (24.22) | (27.60) | (37.44) |
| **CAPITAL AND FINANCIAL ACCOUNT** | **2,057.57** | **(5,448.69)** | **(12,476.46)** | **7,748.83** | **13,128.90** |
| **Capital account(net)** | **-** | **-** | **-** | **-** | **-** |
| *Credit* | - | - | - | - | - |
| Capital Transfers(Debt Forgiveness) | - | - | - | - | - |
| *Debit* | - | - | - | - | - |
| Capital Transfers | - | - | - | - | - |
| **Financial account(net)** | **2,057.57** | **(5,448.69)** | **(12,476.46)** | **7,748.83** | **13,128.90** |
| ***Assets*** | **(5,621.11)** | **(20,292.63)** | **(37,619.19)** | **(13,854.40)** | **(7,519.04)** |
| Direct investment (Abroad) | (922.72) | (823.58) | (1,542.56) | (1,237.50) | (1,614.29) |
| Portfolio investment | (1,130.24) | (1,622.92) | (2,086.21) | (3,246.61) | (3,449.14) |
| Other investment | (13,611.38) | (17,537.69) | (22,802.43) | (10,358.41) | (10,908.07) |
| Change in Reserve | 10,043.24 | (308.44) | (11,187.99) | 988.12 | 8,452.47 |
| ***Liabilities*** | **7,678.68** | **14,843.94** | **25,142.73** | **21,603.23** | **20,647.94** |
| Direct Invesment in reporting economy | 6,098.96 | 8,914.89 | 7,127.38 | 5,608.46 | 4,693.83 |
| Portfolio Investment | 3,747.90 | 5,192.80 | 17,200.49 | 13,652.16 | 5,292.77 |
| Other investment liabilities | (2,168.19) | 736.25 | 814.86 | 2,342.62 | 10,661.35 |
| **NET ERRORS AND OMISSIONS** | **(15,327.04)** | **(5,308.77)** | **(5,039.05)** | **(26,953.98)** | **(14,407.59)** |
| | | | | | |
| **Memorandum Items:** | **2010 /2** | **2011 /2** | **2012 /2** | **2013 /2** | **2014 /1** |
| **Current Account Balance as % of G.D.P /4** | **3.61** | **2.61** | **3.82** | **3.74** | **0.25** |
| **Capital and Financial Account Balance as % of G.D.P /4** | **0.56** | **(1.32)** | **(2.72)** | **1.51** | **2.58** |
| **Overall Balance as % of G.D.P /4** | **(2.73)** | **0.07** | **2.44** | **(0.19)** | **(1.66)** |
| **External Reserves - Stock (US $ million)** | **32,339.25** | **32,639.78** | **43,830.42** | **42,847.31** | **34,241.54** |
| **Number of Months of Imports Equivalent** | **7.74** | **5.87** | **9.16** | **9.30** | **6.67** |
| **External Debt Stock (US$ million)** | **4,578.77** | **5,666.58** | **6,527.07** | **8,821.90** | **9,711.45** |
| **Debt Service Due as % of Exports of Goods Non Factor Services** | **-** | **-** | **-** | **-** | **-** |
| **Effective Central Exchange Rate (N/$)** | **148.51** | **152.59** | **156.23** | **156.03** | **157.27** |
| **Average Exchange Rate (N/$)** | **150.30** | **153.86** | **157.50** | **157.31** | **158.55** |
| **End-Period Exchange Rate (N/$)** | **150.66** | **158.27** | **157.33** | **157.26** | **169.68** |

1/ Provisional
2/ Revised
3/ Covers data on import of PMS under the Petroleum Support Fund Scheme from the PPPRA, import of PMS data from the NNPC as well as data on import of AGO, DPK and ATK by other markets
from the NCS
4/ Ratios in the memorandum items for 2010 - 2013 were computed using the revised rebased GDP series released by the National Bureau of Statistics (NBS) in July, 2014

Source: Central Bank of Nigeria

**Table 60**
**Balance of Payments Analytic Presentation**
**(N Million)**

| | 2010 /2 | 2011 /2 | 2012 /2 | 2013 /2 | 2014 /1 |
|---|---|---|---|---|---|
| **CURRENT ACCOUNT** | **1,970,592.13** | **1,641,463.22** | **2,736,448.26** | **2,996,626.99** | **201,098.72** |
| **Goods** | **4,523,691.41** | **5,051,020.86** | **6,172,470.84** | **6,634,107.62** | **3,301,464.59** |
| *Exports (fob)* | *11,966,496.77* | *15,240,227.14* | *15,139,454.23* | *15,262,822.03* | *12,988,296.27* |
| Oil and Gas | 11,257,633.92 | 14,326,518.71 | 14,259,789.74 | 14,132,595.70 | 12,033,543.22 |
| Non-oil and Electricity | 708,862.85 | 913,708.43 | 879,664.49 | 1,130,226.32 | 954,753.05 |
| *Imports (fob)* | *(7,442,805.36)* | *(10,189,206.28)* | *(8,966,983.39)* | *(8,628,714.40)* | *(9,686,831.68)* |
| Oil and Gas /3 | (1,665,976.13) | (2,952,514.62) | (2,971,840.31) | (2,371,004.48) | (2,171,271.12) |
| Non-oil | (5,776,829.23) | (7,236,691.66) | (5,995,143.09) | (6,257,709.92) | (7,515,560.55) |
| Unrecorded(TPAdj) | - | - | - | - | - |
| **Services(net)** | **(2,743,227.07)** | **(3,259,468.68)** | **(3,392,666.72)** | **(3,052,898.88)** | **(3,533,240.15)** |
| *Credit* | 462,996.66 | 521,060.52 | 378,041.74 | 376,944.30 | 313,179.16 |
| Transportation | 296,057.57 | 244,243.51 | 219,606.87 | 172,927.07 | 121,785.91 |
| Travel | 85,529.78 | 95,886.34 | 87,335.69 | 84,630.47 | 85,417.91 |
| Insurance Services | 151.27 | 253.03 | 278.12 | 642.35 | 3,484.15 |
| Communication Services | 7,128.27 | 7,690.45 | 7,956.79 | 8,126.17 | 8,435.95 |
| Construction Services | - | - | - | - | - |
| Financial Services | 2,078.27 | 2,458.67 | 1,771.84 | 3,462.95 | 2,224.32 |
| Computer & information Services | - | - | - | - | - |
| Royalties and License Fees | - | - | - | - | - |
| Government Services | 69,311.55 | 165,030.64 | 52,442.95 | 75,466.68 | 76,104.46 |
| Personal, cultural & recreational services | - | - | - | - | - |
| Other Bussiness Services | 2,739.94 | 5,497.88 | 8,649.47 | 31,688.60 | 15,726.46 |
| *Debit* | (3,206,223.73) | (3,780,529.20) | (3,770,708.45) | (3,429,843.18) | (3,846,419.31) |
| Transportation | (1,276,430.44) | (1,239,316.28) | (1,527,926.14) | (1,339,467.01) | (1,380,662.21) |
| Travel | (836,612.58) | (1,015,242.96) | (967,229.07) | (922,459.43) | (835,461.03) |
| Insurance Services | (75,374.28) | (108,230.21) | (114,583.04) | (34,754.89) | (52,695.87) |
| Communication Services | (42,762.22) | (35,299.78) | (64,551.11) | (89,324.12) | (137,427.17) |
| Construction Services | (19,381.48) | (13,645.97) | (17,494.64) | (13,622.73) | (11,008.88) |
| Financial Services | (5,069.09) | (48,882.88) | (67,804.76) | (116,769.42) | (195,219.18) |
| Computer & information Services | (18,597.37) | (25,372.38) | (27,695.67) | (49,246.98) | (109,894.90) |
| Royalties and License Fees | (33,575.65) | (32,803.43) | (39,501.19) | (40,677.67) | (39,764.08) |
| Government Services | (220,111.77) | (323,223.18) | (240,817.22) | (271,232.66) | (271,693.48) |
| Personal, cultural & recreational services | (7,882.68) | (12,167.39) | (11,571.49) | (3,233.15) | (47,418.56) |
| Other Bussiness Services | (670,426.16) | (926,344.72) | (691,534.13) | (549,055.12) | (765,173.96) |
| **Income(net)** | **(2,921,789.13)** | **(3,505,308.47)** | **(3,478,447.54)** | **(4,014,681.40)** | **(3,014,165.44)** |
| *Credit* | *149,959.67* | *138,095.92* | *150,653.55* | *138,566.78* | *256,827.45* |
| Investment Income | 124,923.69 | 110,331.20 | 122,226.19 | 108,725.57 | 225,360.99 |
| Compensation of employees | 25,035.98 | 27,764.72 | 28,427.36 | 29,841.22 | 31,466.47 |

## Table 60 Cont'd
## Balance of Payments Analytic Presentation
## (Naira Million)

| | | | | | |
|---|---|---|---|---|---|
| *Debit* | *(3,071,748.80)* | *(3,643,404.39)* | *(3,629,101.10)* | *(4,153,248.19)* | *(3,270,992.90)* |
| Investment Income | (3,068,925.34) | (3,636,747.26) | (3,626,789.36) | (4,149,613.17) | (3,267,740.39) |
| Compensation of employees | (2,823.46) | (6,657.12) | (2,311.74) | (3,635.01) | (3,252.51) |
| **Current transfers(net)** | **3,111,916.92** | **3,355,219.50** | **3,435,091.69** | **3,430,099.65** | **3,447,039.73** |
| *Credit* | *3,183,757.61* | *3,427,824.86* | *3,511,070.50* | *3,543,798.94* | *3,585,865.04* |
| General Government | 240,349.05 | 282,007.59 | 302,417.54 | 298,377.83 | 295,067.51 |
| Other Sectors | 2,943,408.56 | 3,145,817.27 | 3,208,652.96 | 3,245,421.12 | 3,290,797.53 |
| Workers Remittance | 2,942,551.34 | 3,144,383.44 | 3,207,076.94 | 3,241,781.15 | 3,271,054.04 |
| *Debit* | *(71,840.68)* | *(72,605.36)* | *(75,978.81)* | *(113,699.30)* | *(138,825.31)* |
| General Government | (25,271.21) | (17,983.43) | (25,538.92) | (28,298.05) | (9,980.09) |
| Other Sectors | (46,569.47) | (54,621.93) | (50,439.89) | (85,401.24) | (128,845.22) |
| Workers Remittance | (4,311.86) | (4,960.44) | (3,783.89) | (4,306.50) | (5,888.18) |
| **CAPITAL AND FINANCIAL ACCOUNT** | **305,561.31** | **(831,406.39)** | **(1,949,196.86)** | **1,209,069.77** | **2,064,778.97** |
| **Capital account(net)** | **-** | **-** | **-** | **-** | **-** |
| *Credit* | - | - | - | - | - |
| Capital Transfers(Debt Forgiveness) | - | - | - | - | - |
| *Debit* | - | - | - | - | - |
| Capital Transfers | - | - | - | - | - |
| **Financial account(net)** | **305,561.31** | **(831,406.39)** | **(1,949,196.86)** | **1,209,069.77** | **2,064,778.97** |
| ***Assets*** | **(834,766.15)** | **(3,096,417.41)** | **(5,877,245.84)** | **(2,161,736.94)** | **(1,182,517.57)** |
| Direct investment (Abroad) | (137,029.22) | (125,668.71) | (240,994.48) | (193,089.72) | (253,879.67) |
| Portfolio investment | (167,847.68) | (247,637.99) | (325,927.96) | (506,577.06) | (542,445.97) |
| Other investment | (2,021,367.65) | (2,676,046.36) | (3,562,423.72) | (1,616,248.99) | (1,715,509.65) |
| Change in Reserve | 1,491,478.39 | (47,064.34) | (1,747,899.68) | 154,178.83 | 1,329,317.72 |
| ***Liabilities*** | **1,140,327.46** | **2,265,011.02** | **3,928,048.99** | **3,370,806.71** | **3,247,296.54** |
| Direct Invesment in reporting economy | 905,730.77 | 1,360,307.91 | 1,113,510.58 | 875,102.46 | 738,197.19 |
| Portfolio Investment | 556,585.07 | 792,360.22 | 2,687,232.51 | 2,130,179.91 | 832,392.02 |
| Other investment liabilities | (321,988.38) | 112,342.88 | 127,305.90 | 365,524.34 | 1,676,707.34 |
| **NET ERRORS AND OMISSIONS** | **(2,276,153.44)** | **(810,056.82)** | **(787,251.40)** | **(4,205,696.75)** | **(2,265,877.69)** |
| | | | | | |
| **Memorandum Items:** | **2010 /2** | **2011 /2** | **2012 /2** | **2013 /2** | **2014 /1** |
| **Current Account Balance as % of G.D.P /4** | **3.61** | **2.61** | **3.82** | **3.74** | **0.25** |
| **Capital and Financial Account Balance as % of G.D.P /4** | **0.56** | **(1.32)** | **(2.72)** | **1.51** | **2.58** |
| **Overall Balance as % of G.D.P /4** | **(2.73)** | **0.07** | **2.44** | **(0.19)** | **(1.66)** |
| **External Reserves - Stock (US $ million)** | **32,339.25** | **32,639.78** | **43,830.42** | **42,847.31** | **34,241.54** |
| **Number of Months of Imports Equivalent** | **7.74** | **5.87** | **9.16** | **9.30** | **6.67** |
| **External Debt Stock (US$ million)** | **4,578.77** | **5,666.58** | **6,527.07** | **8,821.90** | **9,711.45** |
| **Debt Service Due as % of Exports of Goods Non Factor Services** | **-** | **-** | **-** | **-** | **-** |
| **Effective Central Exchange Rate (N/$)** | **148.51** | **152.59** | **156.23** | **156.03** | **157.27** |
| **Average Exchange Rate (N/$)** | **150.30** | **153.86** | **157.50** | **157.31** | **158.55** |
| **End-Period Exchange Rate (N/$)** | **150.66** | **158.27** | **157.33** | **157.26** | **169.68** |

1/ Provisional
2/ Revised
3/ Covers data on import of PMS under the Petroleum Support Fund Scheme from the PPPRA, import of PMS data from the NNPC as well as data on import of AGO, DPK and ATK by other markets from the NCS
4/ Ratios in the memorandum items for 2010 - 2013 were computed using the revised rebased GDP series released by the National Bureau of Statistics (NBS) in July, 2014

**Source:** Central Bank of Nigeria

**Table 61**
**Visible Trade 1/**
**(Naira Million)**

| Items | 2010 | 2011 | 2012 | 2013 | 2014 /2 |
|---|---|---|---|---|---|
| | | | | | |
| ***Imports (cif)*** | **8,163,974.57** | **10,995,863.63** | **9,766,556.74** | **9,439,424.71** | **10,538,780.58** |
| Crude Oil and Gas | 1,757,140.40 | 3,043,596.72 | 3,064,255.92 | 2,429,376.10 | 2,215,032.10 |
| Non-Oil | 6,406,834.17 | 7,952,266.90 | 6,702,300.81 | 7,010,048.60 | 8,323,748.48 |
| | | | | | |
| ***Exports (fob)*** | **11,966,496.77** | **15,240,227.14** | **15,139,454.23** | **15,262,822.03** | **12,988,296.27** |
| Crude oil and Gas | 11,257,633.92 | 14,326,518.71 | 14,259,789.74 | 14,132,595.70 | 12,033,543.22 |
| Non-Oil sector | 708,862.85 | 913,708.43 | 879,664.49 | 1,130,226.32 | 954,753.05 |
| | | | | | |
| ***Total Trade*** | **20,130,471.34** | **26,236,090.76** | **24,906,010.97** | **24,702,246.73** | **23,527,076.85** |
| Crude oil and Gas | 13,014,774.32 | 17,370,115.43 | 17,324,045.66 | 16,561,971.81 | 14,248,575.32 |
| Non-Oil | 7,115,697.02 | 8,865,975.33 | 7,581,965.30 | 8,140,274.93 | 9,278,501.53 |
| | | | | | |
| ***Balance of Trade*** | **3,802,522.20** | **4,244,363.51** | **5,372,897.50** | **5,823,397.32** | **2,449,515.69** |
| Crude oil and Gas | 9,500,493.52 | 11,282,921.98 | 11,195,533.81 | 11,703,219.60 | 9,818,511.12 |
| Non-Oil | (5,697,971.32) | (7,038,558.47) | (5,822,636.32) | (5,879,822.28) | (7,368,995.43) |
| | | | | | |
| ***Effective Central Exchange Rate (N/$)*** | **148.51** | **152.59** | **156.23** | **156.03** | **157.27** |

/1 Revised
/2 Provisional
The figures include estimates made for informal/unrecorded imports and exports
Source: Central Bank of Nigeria

**Table 62**
**Imports by Major Groups 1/**
**(Naira Million)**

| IMPORT GROUP | 2010 /2 | 2011 /2 | 2012 /2 | 2013 /1 | 2014/1 |
|---|---|---|---|---|---|
| **Consumer Goods** | **3,540,002.56** | **4,761,834.69** | **3,730,909.57** | **4,200,916.69** | **4,551,467.35** |
| | | | | | |
| Durable | 1,894,825.04 | 2,443,926.59 | 1,742,813.93 | 2,319,468.15 | 2,470,775.02 |
| Non Durable | 1,645,177.52 | 2,317,908.11 | 1,988,095.64 | 1,881,448.54 | 2,080,692.33 |
| | | | | | |
| **Capital Goods And Raw Materials** | **4,582,928.77** | **6,169,788.36** | **5,981,149.68** | **5,144,015.17** | **5,894,146.65** |
| | | | | | |
| Capital Goods | 3,306,472.79 | 4,794,072.11 | 4,001,348.56 | 3,905,741.24 | 4,453,068.67 |
| Raw Materials | 1,276,455.99 | 1,375,716.25 | 1,979,801.11 | 1,238,273.92 | 1,441,077.98 |
| | | | | | |
| **Miscellaneous** | **41,043.24** | **64,240.57** | **54,497.49** | **94,492.85** | **93,166.58** |
| | | | | | |
| **Total** | **8,163,974.57** | **10,995,863.63** | **9,766,556.74** | **9,439,424.71** | **10,538,780.58** |

1/ Provisional
2/ Revised
The figures include estimates made for informal imports - shuttle trade

Source: Central Bank of Nigeria

# Table 63
## Non-Oil Imports by Country of Origin (c&f) 1/

| | Value (Naira Million) | | | | | Percentage Share of Total (%) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 /2 | 2010 | 2011 | 2012 | 2013 | 2014 /2 |
| **Industrial Countries** | **2,244,305.17** | **2,824,014.16** | **2,577,564.69** | **2,440,290.13** | **2,723,204.06** | **35.0** | **35.5** | **38.5** | **34.8** | **32.7** |
| United States of America | 632,192.24 | 903,939.23 | 671,524.29 | 857,444.06 | 933,618.54 | 9.9 | 11.4 | 10.0 | 12.2 | 11.2 |
| Japan | 148,909.03 | 143,949.92 | 156,510.38 | 144,235.99 | 170,035.29 | 2.3 | 1.8 | 2.3 | 2.1 | 2.0 |
| France | 176,052.07 | 238,660.83 | 115,864.42 | 186,212.10 | 169,413.23 | 2.7 | 3.0 | 1.7 | 2.7 | 2.0 |
| Germany | - | - | - | 310,245.71 | 376,226.20 | 0.0 | 0.0 | 0.0 | 4.4 | 4.5 |
| Switzerland | 48,911.74 | 47,501.51 | - | - | 55,988.85 | 0.8 | 0.6 | 0.0 | 0.0 | 0.7 |
| Belgium | 232,958.45 | 276,587.88 | 202,971.51 | 239,530.36 | 214,959.37 | 3.6 | 3.5 | 3.0 | 3.4 | 2.6 |
| Norway | 42,796.77 | 50,619.33 | - | - | - | 0.7 | 0.6 | 0.0 | 0.0 | 0.0 |
| Italy | 178,913.03 | 159,872.05 | 756,447.42 | 144,666.46 | 198,824.83 | 2.8 | 2.0 | 11.3 | 2.1 | 2.4 |
| Netherlands | 169,600.20 | 252,957.45 | 177,947.88 | 213,252.79 | 257,332.82 | 2.6 | 3.2 | 2.7 | 3.0 | 3.1 |
| United Kingdom | 321,958.42 | 393,900.02 | 254,008.40 | 344,702.66 | 346,804.92 | 5.0 | 5.0 | 3.8 | 4.9 | 4.2 |
| **African** | **171,855.54** | **165,726.30** | **115,299.49** | **272,026.14** | **194,300.13** | **2.7** | **2.1** | **1.7** | **3.9** | **2.3** |
| Cote d'Ivoire | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Ghana | 64,114.95 | - | - | 56,836.79 | - | 1.0 | 0.0 | 0.0 | 0.8 | 0.0 |
| Niger | - | - | - | 62,056.29 | - | 0.0 | 0.0 | 0.0 | 0.9 | 0.0 |
| South Africa | 107,740.60 | 165,726.30 | 115,299.49 | 153,133.06 | 194,300.13 | 1.7 | 2.1 | 1.7 | 2.2 | 2.3 |
| Egypt | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Swaziland | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Others | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Asia (excluding Japan)** | **1,964,219.77** | **3,150,419.22** | **2,710,393.49** | **2,597,435.97** | **3,384,777.41** | **30.7** | **39.6** | **40.4** | **37.0** | **40.7** |
| China, P.R | 1,079,932.69 | 1,588,806.98 | 1,834,740.31 | 1,714,876.31 | 2,138,195.90 | 16.9 | 20.0 | 27.4 | 24.4 | 25.7 |
| Hong Kong | 36,105.60 | - | - | - | - | 0.6 | 0.0 | 0.0 | 0.0 | 0.0 |
| India | 308,641.58 | 495,915.13 | 456,342.82 | 440,765.88 | 572,065.72 | 4.8 | 6.2 | 6.8 | 6.3 | 6.9 |
| Indonesia | 40,530.73 | 61,289.58 | 54,855.58 | 84,769.00 | 134,512.16 | 0.6 | 0.8 | 0.8 | 1.2 | 1.6 |
| Korea, Republic of | 163,947.79 | 689,446.12 | 136,811.19 | 183,016.52 | 375,541.23 | 2.6 | 8.7 | 2.0 | 2.6 | 4.5 |
| Singapore | 70,354.25 | - | 42,000.13 | 48,265.68 | - | 1.1 | 0.0 | 0.6 | 0.7 | 0.0 |
| Malaysia | 32,169.78 | - | - | 58,582.40 | - | 0.5 | 0.0 | 0.0 | 0.8 | 0.0 |
| Thailand | 154,356.89 | 238,411.10 | 185,643.46 | 67,160.18 | 164,462.41 | 2.4 | 3.0 | 2.8 | 1.0 | 2.0 |
| Taiwan, Province of China | 78,180.45 | 76,550.30 | - | - | - | 1.2 | 1.0 | 0.0 | 0.0 | 0.0 |
| Others | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Others** | **2,026,453.69** | **1,812,107.22** | **1,299,043.14** | **1,700,296.37** | **2,021,466.87** | **31.6** | **22.8** | **19.4** | **24.3** | **24.3** |
| Russia | 42,961.21 | 55,168.95 | 38,843.49 | 58,047.24 | 83,551.09 | 0.7 | 0.7 | 0.6 | 0.8 | 1.0 |
| Turkey | 59,256.66 | 81,773.43 | 46,939.20 | 68,857.11 | 98,228.64 | 0.9 | 1.0 | 0.7 | 1.0 | 1.2 |
| Isreal | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Ukraine | 72,399.70 | - | 49,659.92 | 84,642.28 | 72,448.62 | 1.1 | 0.0 | 0.7 | 1.2 | 0.9 |
| Lebanon | - | 140,676.20 | - | - | - | 0.0 | 1.8 | 0.0 | 0.0 | 0.0 |
| United Arab Emirates | 168,188.43 | 129,444.45 | 80,524.06 | 104,188.13 | 150,896.41 | 2.6 | 1.6 | 1.2 | 1.5 | 1.8 |
| Sweden | 60,807.46 | 94,630.69 | 70,414.68 | 53,043.98 | 56,549.62 | 0.9 | 1.2 | 1.1 | 0.8 | 0.7 |
| Ireland | 60,886.34 | 85,336.23 | 67,916.85 | 86,490.79 | 97,488.81 | 1.0 | 1.1 | 1.0 | 1.2 | 1.2 |
| Spain | 108,371.61 | 73,965.23 | 70,010.10 | 91,364.66 | 104,726.21 | 1.7 | 0.9 | 1.0 | 1.3 | 1.3 |
| Greece | 34,221.91 | - | - | - | - | 0.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| Portugal | 41,973.24 | - | - | - | - | 0.7 | 0.0 | 0.0 | 0.0 | 0.0 |
| Argentina | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Others | 1,119,285.62 | 835,062.42 | 681,271.70 | 742,334.66 | 874,586.39 | 17.5 | 10.5 | 10.2 | 10.6 | 10.5 |
| Saudi Arabia | 30,125.66 | 54,834.46 | - | 49,681.00 | 75,290.15 | 0.5 | 0.7 | 0.0 | 0.7 | 0.9 |
| Iceland | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| New Zealand | - | - | - | 49,486.86 | 63,899.29 | 0.0 | 0.0 | 0.0 | 0.7 | 0.8 |
| Mauritania | 29,133.68 | - | - | - | - | 0.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| Finland | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Canada | - | - | - | 70,140.88 | 75,464.22 | 0.0 | 0.0 | 0.0 | 1.0 | 0.9 |
| Poland | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Denmark | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Cyprus | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Chile | 27,088.23 | - | - | - | - | 0.4 | 0.0 | 0.0 | 0.0 | 0.0 |
| Latvia | - | - | - | - | - | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Australia | - | - | - | - | 53,589.22 | 0.0 | 0.0 | 0.0 | 0.0 | 0.6 |
| Brazil | 171,753.94 | 261,215.16 | 193,463.12 | 242,018.77 | 214,748.20 | 2.7 | 3.3 | 2.9 | 3.5 | 2.6 |
| **TOTAL** | **6,406,834.17** | **7,952,266.90** | **6,702,300.81** | **7,010,048.60** | **8,323,748.48** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** |

1/ Revised
2/ Provisional
The figures include estimates made for informal imports - shuttle trade

Source: Central Bank of Nigeria

## Table 64
## Non-Oil Imports by H. S. Section 1/
## (Naira Million)

| Section | 2010 | 2011 | 2012 | 2013 | 2014 /2 |
|---|---|---|---|---|---|
| 01 - Live animals; animal products | 478,804.39 | 661,513.57 | 471,046.87 | 2,014.00 | 550,917.00 |
| 02 - Vegetable products | 661,093.56 | 951,051.51 | 973,806.08 | 658,201.43 | 749,697.73 |
| 03 - Animal or vegetable fats and oils and their cleavage products; prepared edible | 62,002.35 | 79,262.85 | 55,678.93 | 97,562.21 | 141,725.12 |
| | 0.00 | 0.00 | | | |
| 04 - Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured | 443,277.23 | 626,080.17 | 487,563.76 | 591,791.86 | 638,352.47 |
| 05 - Mineral products | 424,740.03 | 537,430.26 | 288,179.54 | 398,437.36 | 330,153.67 |
| 06 - Products of the chemical or allied | 755,916.26 | 883,775.47 | 706,293.91 | 933,197.06 | 972,653.23 |
| 07 - Plastics and articles thereof; rubber and articles thereof | 513,633.24 | 742,411.40 | 486,796.83 | 653,630.84 | 746,842.49 |
| 08 - Raws hides and skins, leather, furskins and articles thereof; saddlery and | 7,702.15 | 9,412.58 | 6,054.53 | 6,372.36 | 10,007.62 |
| 09 - Wood and articles of wood; wood charcoal; cork and articles of cork; | 63,399.31 | 25,069.02 | 21,042.43 | 22,138.67 | 24,512.83 |
| 10 - Pulp of wood or of other fibrous cellulosic material; waste and scrap of paper or | 254,855.64 | 312,079.44 | 206,511.46 | 234,473.90 | 273,209.20 |
| 11 - Textiles and textiles articles | 73,861.33 | 116,403.05 | 107,663.89 | 133,339.48 | 182,757.55 |
| 12 - Footwear, headgear, umbrellas, sun umbrellas, walking sticks, seat sticks, whips | 25,824.02 | 33,120.57 | 19,514.13 | 28,055.74 | 44,822.30 |
| 13 - Articles of stone, plaster,cement,asbestos, mica or similar materials; ceramic | 99,991.70 | 129,326.51 | 133,450.37 | 171,148.48 | 191,759.19 |
| 14 - Natural or cultured pearls, precious or semi-precious stones, precious metals, | 835.39 | 1,360.19 | 871.84 | 1,552.84 | 1,667.46 |
| 15 - Base metals and articles of base metal | 950,498.88 | 1,029,155.21 | 1,746,192.68 | 975,289.00 | 1,133,348.34 |
| 16 - Machinery and mechanical appliances; electrical equipment; parts thereof; sound | 2,354,824.50 | 2,984,981.95 | 2,857,272.76 | 2,386,192.99 | 2,854,188.47 |
| 17 - Vehicles, aircraft, vessels and associated transport equipment | 857,667.19 | 1,704,955.21 | 1,058,156.34 | 1,410,388.86 | 1,482,382.17 |
| 18 - Optical, photographic, cinematographic, measuring, checking, precision, medical | 93,981.10 | 104,134.95 | 85,919.47 | 109,159.39 | 116,498.02 |
| 19 - Arms and ammunition; parts and accessories thereof | 62.47 | 136.82 | 8.98 | 322.17 | 99.97 |
| 20 - Miscellaneous manufactured articles | 40,980.77 | 64,103.75 | 54,488.51 | 94,170.68 | 93,066.60 |
| 21 - Works of art, collectors pieces and antiques | 23.07 | 99.14 | 43.42 | 106.35 | 119.14 |
| | **8,163,974.57** | **10,995,863.63** | **9,766,556.74** | **8,907,545.67** | **10,538,780.58** |

1/ Revised
2/ Provisional
The figures include estimates made for informal imports - shuttle trade
Source: Central Bank of Nigeria

## Table 65
## Direction of Crude Oil Exports 1/

| Region/country | Quantity (Thouand Barrels) | | | | | Value (N Million) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 /2 | 2010 | 2011 | 2012 | 2013 | 2014 /2 |
| CANADA | 37,436 | 44,035 | 22,009 | 13,777 | 3,832 | 452,137.59 | 678,891.86 | 332,815.78 | 279,101.61 | 51,517.41 |
| U.S.A | 252,315 | 227,428 | 147,213 | 73,763 | 22,706 | 3,047,345.91 | 3,506,278.78 | 2,226,138.71 | 1,425,564.64 | 305,226.05 |
| PANAMA | - | - | 3,839 | - | - | - | - | 58,050.70 | - | - |
| ATLANTIC COAST | - | - | 436 | - | - | - | - | 6,588.44 | - | - |
| MEXICO | - | - | - | 1,853 | - | - | - | - | 30,379.07 | - |
| **SUB-TOTAL: NORTH AMERICA** | **289,751** | **271,463** | **173,497** | **89,393** | **26,539** | **3,499,483.50** | **4,185,170.64** | **2,623,593.63** | **1,735,045.32** | **356,743.46** |
| ARGENTINA | 6,840 | 11,369 | - | 9,321 | 1,272 | 82,615.53 | 175,273.84 | - | 152,846.98 | 17,093.03 |
| URUGUAY | - | 906 | 2,856 | 3,895 | 2,537 | - | 13,962.60 | 43,189.99 | 79,429.21 | 34,103.04 |
| BRAZIL | 84,017 | 63,410 | 75,331 | 67,836 | 83,461 | 1,014,719.34 | 977,591.89 | 1,139,142.01 | 1,061,466.44 | 1,121,901.28 |
| PERU | 12,370 | 3,896 | 7,600 | 9,498 | 5,126 | 149,404.74 | 60,062.25 | 114,929.76 | 157,311.25 | 68,901.63 |
| CHILE | - | - | - | - | - | - | - | - | - | - |
| PUERTO RICO | - | - | - | - | - | - | - | - | - | - |
| VENEZUELA | - | - | 1,044 | - | 1,266 | - | - | 15,789.79 | - | 17,023.31 |
| SOUTH AMERICA FOR OTHERS | - | - | | 987 | - | - | - | - | 16,178.16 | - |
| **SUB-TOTAL: SOUTH AMERICA** | **103,228** | **79,580** | **86,831** | **91,537** | **93,662** | **1,246,739.61** | **1,226,890.58** | **1,313,051.55** | **1,467,232.04** | **1,259,022.29** |
| BAHAMAS | - | - | - | - | - | - | - | - | - | - |
| TRINIDAD & TOBAGO | - | - | - | - | - | - | - | - | - | - |
| **SUB-TOTAL: CENTRAL AMERICA** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| VIRGIN ISLAND | - | - | - | - | - | - | - | - | - | - |
| **SUB-TOTAL: CARRIBEAN ISLAND** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| OMSP MEDITERRANEAN | - | - | 4,198 | - | - | - | - | 63,480.35 | - | - |
| GERMANY | 950 | 6,373 | 12,541 | 15,011 | 15,389 | 11,472.36 | 98,254.00 | 189,646.40 | 263,838.86 | 206,861.97 |
| FRANCE | - | 43,313 | 36,920 | 42,958 | 53,771 | - | 667,760.74 | 558,295.85 | 712,553.20 | 722,809.59 |
| ITALY | 18,736 | 38,965 | 56,162 | 56,325 | 35,400 | 226,288.48 | 600,722.12 | 849,268.68 | 845,651.82 | 475,854.43 |
| NETHERLANDS | 36,152 | 58,385 | 92,107 | 84,954 | 106,611 | 436,628.97 | 900,126.99 | 1,392,833.12 | 1,547,134.51 | 1,433,086.63 |
| POTUGAL | 24,140 | 9,206 | 4,875 | 5,777 | 10,557 | 291,546.01 | 141,923.18 | 73,724.05 | 141,623.44 | 141,914.64 |
| NORTH WESTERN EUROPE | - | 5,017 | 1,901 | 1,647 | 1,264 | - | 77,352.73 | 28,741.81 | 22,908.74 | 16,994.61 |
| SPAIN | 38,216 | 50,836 | 57,616 | 50,072 | 77,920 | 461,552.66 | 783,742.59 | 871,263.43 | 858,866.01 | 1,047,418.00 |
| UNITED KINGDOM | 11,120 | 24,678 | 42,789 | 41,651 | 32,208 | 134,303.65 | 380,463.78 | 647,054.35 | 740,948.16 | 432,943.56 |
| SWITZERLAND | 1,182 | - | 4,761 | - | - | 14,273.83 | - | 71,988.82 | - | - |
| SCOTLAND | - | - | - | - | - | - | - | - | - | - |
| DENMARK | - | - | 1,945 | 7,633 | 3,855 | - | - | 29,409.29 | 109,616.86 | 51,825.92 |
| IRELAND | - | 2,460 | 7,513 | 2,498 | 1,206 | - | 37,921.26 | 113,603.72 | 14,751.88 | 16,213.21 |
| TURKEY | 962 | 650 | 2,979 | 3,877 | 10,300 | 11,614.79 | 10,019.73 | 45,045.75 | 31,574.99 | 138,458.08 |
| MALTA | | | | | 1,209 | - | - | - | | 16,251.11 |
| WESTERN EUROPE | - | - | - | - | - | - | - | - | - | - |
| SWEDEN | - | - | 5,701 | 12,240 | 11,293 | - | - | 86,209.56 | 185,412.25 | 151,800.40 |
| BELGIUM | - | 950 | - | - | - | - | 14,652.78 | - | - | - |
| CROATIA | - | - | 499 | - | 754 | - | - | 7,546.71 | - | 10,131.03 |
| NORWAY | - | - | 1,389 | 1,834 | 800 | - | - | 21,008.34 | 36,045.21 | 10,753.80 |
| EUROPE FOR OTHERS | | 5,794 | - | - | - | - | 89,321.55 | - | - | - |
| **SUB-TOTAL EUROPE** | **131,457** | **246,626** | **333,895** | **326,477** | **362,537** | **1,587,680.74** | **3,802,261.45** | **5,049,120.25** | **5,510,925.93** | **4,873,316.98** |
| AUSTRALIA | 959 | 18,093 | 19,918 | 16,964 | 13,853 | 11,584.75 | 278,936.48 | 301,198.69 | 264,835.23 | 186,214.24 |
| NEW ZEALAND | - | - | 998 | - | - | - | - | 15,087.83 | - | - |
| **SUB-TOTAL OCEANIA/PACIFIC** | **959** | **18,093** | **20,916** | **16,964** | **13,853** | **11,584.75** | **278,936.48** | **316,286.53** | **264,835.23** | **186,214.24** |
| JAPAN | 998 | 649 | 2,517 | 1,027 | 633 | 12,058.46 | 9,998.32 | 38,063.38 | - | 8,514.38 |
| INDIA | 153,745 | 98,389 | 93,757 | 108,577 | 97,820 | 1,856,859.27 | 1,516,870.24 | 1,417,775.57 | 1,715,271.86 | 1,314,916.35 |
| INDONESIA | 44,362 | 17,821 | 28,646 | 25,737 | 30,508 | 535,784.33 | 274,753.83 | 433,186.36 | 361,184.22 | 410,091.17 |
| KOREA | - | - | - | - | - | - | - | - | - | - |
| TAIWAN | - | 9,550 | 996 | 948 | 1,222 | - | 147,230.10 | 15,064.85 | - | 16,432.76 |
| CHINA | 20,494 | 4,801 | 7,816 | 7,780 | 11,413 | 247,517.83 | 74,023.50 | 118,189.88 | 111,657.92 | 153,415.37 |
| SINGAPORE | - | 2,923 | 4,442 | 3,203 | 44,005 | - | 45,063.47 | 67,172.35 | 46,790.80 | 591,523.62 |
| THAILAND | - | - | 948 | 5,705 | 5,640 | - | - | 14,332.95 | 62,441.19 | 75,812.73 |
| MALAYSIA | - | - | - | - | 1,265 | - | - | - | - | 17,003.74 |
| ISREAL | - | - | - | - | - | - | - | - | - | - |
| U.A.E | - | 1,900 | - | - | - | - | 29,296.22 | - | - | - |
| OMS (S) ASIA | - | - | 1,000 | - | - | - | - | 15,114.75 | - | - |
| **SUB-TOTAL: ASIA & FAR EAST** | **219,599** | **136,033** | **140,122** | **152,977** | **192,506** | **2,652,219.88** | **2,097,235.69** | **2,118,900.09** | **2,297,345.99** | **2,587,710.11** |
| GHANA | 20,115 | 10,991 | 7,815 | 9,240 | 4,921 | 242,940.32 | 169,454.06 | 118,184.43 | 145,762.64 | 66,143.01 |
| COTE D'IVOIRE | 13,773 | 10,373 | 21,933 | 5,210 | 20,470 | 166,346.31 | 159,914.39 | 331,665.46 | 377,516.65 | 275,165.24 |
| SENEGAL | 10,835 | 5,530 | 5,594 | 5,496 | 5,131 | 130,862.29 | 85,255.23 | 84,584.27 | 107,392.65 | 68,978.83 |
| CAMEROUN | 1,961 | 12,168 | 9,973 | 20,177 | 11,380 | 23,678.44 | 187,601.10 | 150,806.67 | 208,624.56 | 152,969.68 |
| MEDITERRANEAN | - | - | - | - | - | - | - | - | - | - |
| MOROCCO | - | - | - | - | - | - | - | - | - | - |
| EQUITORIAL GUINEA | 44,289 | 2,455 | - | - | - | 534,898.74 | 37,855.33 | - | - | - |
| BENIN REPUBLIC | - | - | 1,529 | 30,503 | 1,266 | - | - | 23,120.41 | - | 17,023.02 |
| SOUTH AFRICA | 1,999 | 26,230 | 28,242 | 14,071 | 41,402 | 24,143.16 | 404,396.97 | 427,072.44 | 546,248.58 | 556,534.40 |
| WAF FOR OTHERS | - | 2,540 | - | - | - | - | 39,160.46 | - | - | - |
| TOGO | - | - | 425 | - | - | - | - | 6,432.23 | - | - |
| **SUB-TOTAL: AFRICA** | **92,972** | **70,288** | **75,511** | **84,697** | **84,570** | **1,122,869.26** | **1,083,637.54** | **1,141,865.91** | **1,385,545.07** | **1,136,814.18** |
| **TOTAL** | **837,967** | **822,082** | **830,772** | **762,045** | **773,666** | **10,120,577.75** | **12,674,132.38** | **12,562,817.97** | **12,660,929.59** | **10,399,821.26** |

1/Revised
2/Provisional
The figures are Compiled from various editions of the NNPC Annual Statistics Bulletin

Sources: Central Bank of Nigeria

# Table 66
# Non-Oil Exports by Products 1/
# (Naira Million)

| Product | 2010 | 2011 | 2012 | 2013 | 2014 /2 | % Share in Total | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | 2010 | 2011 | 2012 | 2013 | 2014 /2 |
| **(1) Agricultural Produce** | **392,586.35** | **485,748.45** | **406,997.40** | **448,725.20** | **369,534.99** | **55.4** | **53.2** | **46.3** | **39.7** | **38.7** |
| Cashew Nuts | 18,466.15 | 32,496.76 | 18,767.44 | 22,556.79 | 23,510.37 | 2.6 | 3.6 | 2.1 | 2.0 | 2.5 |
| Cocoa Beans | 220,946.73 | 231,968.74 | 159,737.51 | 203,841.61 | 163,535.53 | 31.2 | 25.4 | 18.2 | 18.0 | 17.1 |
| Coffee | - | - | 6.44 | - | 12.35 | - | - | 0.0 | - | 0.0 |
| Cotton | 16,780.59 | 21,918.83 | 32,569.59 | 21,205.07 | 5,823.83 | 2.4 | 2.4 | 3.7 | 1.9 | 0.6 |
| Cow Horn/Bones | 16.30 | 7.18 | 27.04 | 129.10 | 318.99 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Fish & Crustaceans | 14,792.33 | 17,772.51 | 17,781.16 | 19,819.54 | 17,172.53 | 2.1 | 1.9 | 2.0 | 1.8 | 1.8 |
| Ginger | 3,050.35 | 5,046.80 | 3,889.59 | 5,365.36 | 7,371.02 | 0.4 | 0.6 | 0.4 | 0.5 | 0.8 |
| Groundnuts | - | 22.64 | 1,328.00 | 2,623.10 | 34.38 | - | 0.0 | 0.2 | 0.2 | 0.0 |
| Gum Arabic | 12,050.32 | 13,167.20 | 12,502.76 | 11,928.06 | 1,484.89 | 1.7 | 1.4 | 1.4 | 1.1 | 0.2 |
| Rubber | 45,277.29 | 92,936.04 | 70,553.64 | 45,128.66 | 21,567.09 | 6.4 | 10.2 | 8.0 | 4.0 | 2.3 |
| Sesame Seeds | 56,869.28 | 64,672.46 | 84,333.59 | 107,556.41 | 119,757.69 | 8.0 | 7.1 | 9.6 | 9.5 | 12.5 |
| *Other Agricultural Products* | *4,337.01* | *5,739.29* | *5,500.63* | *8,571.52* | *8,946.31* | 0.6 | 0.6 | 0.6 | 0.8 | 0.9 |
| **(2) Minerals** | **1,203.39** | **5,128.33** | **5,126.04** | **3,533.31** | ***4,840.00*** | **0.2** | **0.6** | **0.6** | **0.3** | **0.5** |
| Copper | 31.68 | 276.76 | 151.73 | 61.86 | 132.92 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Lead | 914.39 | 2,339.48 | 940.16 | 2,290.96 | 3,175.43 | 0.1 | 0.3 | 0.1 | 0.2 | 0.3 |
| Manganese | 70.84 | 30.17 | - | - | 8.41 | 0.0 | 0.0 | - | - | 0.0 |
| Quartz | 0.60 | - | - | - | 13.88 | 0.0 | - | - | - | 0.0 |
| Zinc | 54.42 | 959.83 | 1,422.08 | 663.29 | 705.02 | 0.0 | 0.1 | 0.2 | 0.1 | 0.1 |
| Zirconium | 105.76 | 379.08 | 134.16 | 145.11 | 89.12 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other Minerals | 25.70 | 1,143.02 | 2,477.91 | 372.09 | 715.22 | 0.0 | 0.1 | 0.3 | 0.0 | 0.1 |
| **(3) Semi-Manufactured** | **203,122.49** | **276,183.27** | **287,328.19** | **327,232.96** | **298,863.78** | **28.7** | **30.2** | **32.7** | **29.0** | **31.3** |
| Aluminium | 14,534.81 | 24,780.44 | 27,398.86 | 33,018.97 | 26,047.89 | 2.1 | 2.7 | 3.1 | 2.9 | 2.7 |
| Cocoa Products | 27,780.14 | 38,752.72 | 28,356.28 | 40,066.01 | 41,979.00 | 3.9 | 4.2 | 3.2 | 3.5 | 4.4 |
| Copper | 4,295.30 | 10,135.93 | 6,966.67 | 23,583.38 | 18,852.60 | 0.6 | 1.1 | 0.8 | 2.1 | 2.0 |
| Cotton Products | 1,577.46 | 1,304.14 | 2,132.98 | 2,038.68 | 1,730.30 | 0.2 | 0.1 | 0.2 | 0.2 | 0.2 |
| Furniture/Processed Wood | 6,152.99 | 1,532.73 | 1,123.87 | 925.79 | 1,203.40 | 0.9 | 0.2 | 0.1 | 0.1 | 0.1 |
| Lead | 1,473.56 | 5,146.90 | 13,584.52 | 13,292.21 | 14,386.68 | 0.2 | 0.6 | 1.5 | 1.2 | 1.5 |
| Leather & Processed Skins | 117,131.99 | 160,777.86 | 174,478.60 | 176,233.23 | 150,319.13 | 16.5 | 17.6 | 19.8 | 15.6 | 15.7 |
| Palm Products | 594.12 | 817.61 | 1,428.87 | 1,982.85 | 702.78 | 0.1 | 0.1 | 0.2 | 0.2 | 0.1 |
| Poly Products | 17,385.98 | 13,027.91 | 3,576.78 | 5,190.82 | 2,985.86 | 2.5 | 1.4 | 0.4 | 0.5 | 0.3 |
| Steel/Iron | 300.84 | 2,090.18 | 1,268.26 | 5,174.57 | 1,118.05 | 0.0 | 0.2 | 0.1 | 0.5 | 0.1 |
| Textured Yarn/Polyester | 2,568.99 | 3,362.15 | 2,629.53 | 2,514.17 | 1,306.06 | 0.4 | 0.4 | 0.3 | 0.2 | 0.1 |
| Tin | 2,617.79 | 4,181.08 | 10,935.61 | 15,421.40 | 32,375.68 | 0.4 | 0.5 | 1.2 | 1.4 | 3.4 |
| Wheat Bran Pellets | 4,494.06 | 3,636.24 | 1,404.68 | 704.13 | 683.42 | 0.6 | 0.4 | 0.2 | 0.1 | 0.1 |
| Zinc | 633.95 | 559.92 | 817.85 | 362.55 | 448.36 | 0.1 | 0.1 | 0.1 | 0.0 | 0.0 |
| Other Semi-Manufactured Products | 1,580.51 | 6,077.45 | 11,224.83 | 6,724.20 | 4,724.55 | 0.2 | 0.7 | 1.3 | 0.6 | 0.5 |
| **(4) Manufactured** | **82,275.17** | **99,965.83** | **128,317.66** | **144,803.15** | **145,741.78** | **11.6** | **10.9** | **14.6** | **12.8** | **15.3** |
| Aluminium Products | 7,107.84 | 7,410.87 | 9,416.67 | 13,455.04 | 8,910.55 | 1.0 | 0.8 | 1.1 | 1.2 | 0.9 |
| Asbestos Products | 497.29 | 563.49 | 360.43 | 202.47 | 286.88 | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 |
| Beer/Beverages | 1,755.25 | 1,958.98 | 4,707.04 | 7,030.23 | 6,943.41 | 0.2 | 0.2 | 0.5 | 0.6 | 0.7 |
| Carpet/Rug | 52.53 | 169.42 | 85.13 | 117.78 | 171.33 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Confectionery | 1,252.42 | 1,167.55 | 1,608.50 | 1,274.29 | 1,066.26 | 0.2 | 0.1 | 0.2 | 0.1 | 0.1 |
| Electrical | 67.12 | 98.64 | 188.18 | - | 915.09 | 0.0 | 0.0 | 0.0 | - | 0.1 |
| Empty Bottles | 2,761.92 | 3,026.38 | 4,965.58 | 4,333.84 | 4,169.29 | 0.4 | 0.3 | 0.6 | 0.4 | 0.4 |
| Furniture | 487.68 | 877.47 | 633.89 | 301.25 | 188.05 | 0.1 | 0.1 | 0.1 | 0.0 | 0.0 |
| Glass | 81.12 | 274.50 | 591.93 | 623.39 | 618.23 | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 |
| Insecticide | 3,385.61 | 2,999.48 | 5,036.32 | 5,725.05 | 6,489.03 | 0.5 | 0.3 | 0.6 | 0.5 | 0.7 |
| Milk Products | 4,319.92 | 5,505.77 | 6,040.11 | 6,201.36 | 6,085.44 | 0.6 | 0.6 | 0.7 | 0.5 | 0.6 |
| Paper Products | 344.89 | 337.97 | 494.77 | 1,140.27 | 1,588.48 | 0.0 | 0.0 | 0.1 | 0.1 | 0.2 |
| Pharmaceuticals | 635.44 | 842.21 | 413.44 | (135.72) | 570.03 | 0.1 | 0.1 | 0.0 | (0.0) | 0.1 |
| Plastic | 10,473.97 | 7,797.32 | 15,011.56 | 15,673.89 | 16,985.56 | 1.5 | 0.9 | 1.7 | 1.4 | 1.8 |
| Plastic Footwear | 14,122.67 | 18,152.42 | 21,110.20 | 18,711.63 | 19,395.57 | 2.0 | 2.0 | 2.4 | 1.7 | 2.0 |
| Soap & Detergents | 1,006.92 | 2,437.77 | 2,536.95 | 3,666.46 | 3,703.99 | 0.1 | 0.3 | 0.3 | 0.3 | 0.4 |
| Steel/Iron Products | 985.99 | 1,816.05 | 1,670.11 | 832.21 | 913.81 | 0.1 | 0.2 | 0.2 | 0.1 | 0.1 |
| Textiles | 5,676.28 | 5,046.13 | 6,321.34 | 3,172.32 | 2,158.50 | 0.8 | 0.6 | 0.7 | 0.3 | 0.2 |
| Tobacco | 18,674.11 | 24,990.75 | 26,382.64 | 33,467.73 | 33,632.57 | 2.6 | 2.7 | 3.0 | 3.0 | 3.5 |
| Vehicles | 724.40 | 546.60 | 184.37 | 750.20 | 844.17 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 |
| Other Manufactured Products | 7,861.78 | 13,946.08 | 20,558.51 | 28,259.45 | 30,105.54 | 1.1 | 1.5 | 2.3 | 2.5 | 3.2 |
| **(5) Other Exports** | **29,675.45** | **46,682.55** | **51,895.21** | **205,931.69** | **135,772.51** | **4.2** | **5.1** | **5.9** | **18.2** | **14.2** |
| Cement/Lime Products | 882.53 | 161.34 | 75.14 | 461.41 | 1,061.43 | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 |
| Charcoal | 1,060.68 | 1,469.00 | 1,318.40 | 1,709.89 | 1,588.94 | 0.1 | 0.2 | 0.1 | 0.2 | 0.2 |
| Fertilizer | 86.54 | - | - | - | - | 0.0 | - | - | - | - |
| Petroleum Products | 4,260.84 | 6,263.69 | 1,330.50 | 161,351.97 | 100,701.37 | 0.6 | 0.7 | 0.2 | 14.3 | 10.5 |
| Urea | 603.02 | 8,619.17 | 10,850.88 | 5,708.15 | 2,108.12 | 0.1 | 0.9 | 1.2 | 0.5 | 0.2 |
| Used/Re-Exported Machinery | 758.13 | 127.95 | 482.33 | 352.75 | 1,073.31 | 0.1 | 0.0 | 0.1 | 0.0 | 0.1 |
| Electricity | 8,451.46 | 14,300.58 | 16,028.87 | 16,243.76 | 18,139.59 | 1.2 | 1.6 | 1.8 | 1.4 | 1.9 |
| Other Products | 13,572.25 | 15,740.82 | 21,809.08 | 20,103.76 | 11,099.74 | 1.9 | 1.7 | 2.5 | 1.8 | 1.2 |
| **TOTAL** | **708,862.85** | **913,708.43** | **879,664.49** | **1,130,226.32** | **954,753.05** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** |

1/ Revised
2/ Provisional
The figures include estimates made for informal/unrecorded exports

Source: Central Bank of Nigeria

## Table 67
## Top 100 Non-Oil Exporters in Nigeria in 2014

| S/N | Exporter | FOB Value (USD) | Destination | Exported Products |
|---|---|---|---|---|
| 1 | Olam Nigeria Limited | 259,201,308.19 | NETHERLANDS, GREECE,TURKEY,UK | SESAME SEEDS, COCOA |
| 2 | Bolawole Enterprises Nig. Limited | 127,526,489.92 | NETHERLANDS, BELGIUM | NIGERIAN COCOA |
| 3 | Mamuda Industries (Nig) Limited | 116,404,037.71 | ITALY, BRAZIL, CHINA | FINISHED AND PROCESSED LEATHER |
| 4 | Sun and Sand Industries Africa Limited | 112,652,500.00 | INDIA, JAPAN | NICKEL AND TIN ALLOY |
| 5 | Unique Leather Finishing Co. Limited | 107,768,376.20 | ITALY, CHINA, SPAIN, USA | FINISHED LEATHER |
| 6 | Mario Jose Enterprises Limited | 101,829,761.62 | ITALY, CHINA, BRAZIL | FINISHED LEATHER |
| 7 | British American Tobacco Nigeria Limited | 100,497,585.94 | NIGER, CÔTE D'IVOIRE,GHANA | TOBACCO |
| 8 | Starlink Global and Ideal Limited | 72,891,130.62 | NETHERLANDS, US, SPAIN, INDONESIA | CASHEW NUTS, COCOA BEANS |
| 9 | Metal Africa Steel Products Limited | 65,384,032.65 | INDIA,LITHUANIA, S/KOREA | TIN AND COPPER ALLOY |
| 10 | Saro Agro Allied Limited. | 64,716,224.23 | NETHERLANDS | COCOA BEANS |
| 11 | Fata Tanning Limited | 54,623,911.66 | CHINA, INDIA, ITALY | PROCESSED AND FINISHED LEATHER |
| 12 | Vakorede Nigeria Limited | 51,433,317.85 | NETHERLANDS,CHINA, TURKEY | SESAME SEED, COCOA |
| 13 | Agro Traders Limited | 46,684,914.04 | GERMANY, NETHERLANDS, SPAIN | COCOA BEANS |
| 14 | Olatunde International Limited | 46,293,813.23 | NETHERLANDS, BELGIUM, MALAYSIA | COCOA BEANS |
| 15 | Ais Trades & Industries Limited | 43,706,852.84 | TURKEY,INDIA, JAPAN | SESAME SEED,CASHEW NUT |
| 16 | Multitan Limited | 43,535,821.47 | SPAIN, ITALY, CHINA | PROCESSED LEATHER |
| 17 | Sfurna Global Limited | 41,127,280.20 | JAPAN, S/KOREA | ALUMINIUM ALLOY, LEAD |
| 18 | ETC Agro Company Nigeria Limited | 40,325,515.72 | JAPAN, TURKEY, GREECE | SESAME SEED, CASHEW NUT |
| 19 | Plantation Industry Limited | 37,036,829.80 | GERMANY, SPAIN, USA | COCOA CAKE, COCOA BUTTER |
| 20 | West African Tannery Company Limited | 37,009,712.75 | CHINA, INDIA, ITALY | PROCESSED AND FINISHED LEATHER |
| 21 | Atlantic Shrimpers Limited | 35,618,080.36 | NETHERLANDS, BELGIUM, USA | SEA FOOD |
| 22 | De United Foods Industries Limited | 34,897,734.20 | BENIN, CÔTE D'IVOIRE,GHANA | NOODLES |
| 23 | Rubber Estates Nigeria Limited | 34,659,985.27 | SPAIN, FRANCE, ITALY, LITHUANIA, POLAND | PROCESSED RUBBER |
| 24 | Tulip Cocoa Processing Limited | 33,725,961.75 | NETHERLANDS, SPAIN, ESTONIA | COCOA BEANS AND COCOA BUTTER |
| 25 | West African Rubber Products (Nig) Limited | 33,615,120.08 | TOGO, GHANA, CONGO DR | BATHROOM SLIPPERS |
| 26 | Maths Metals Recycling Limited | 32,047,851.69 | S/KOREA, CHINA, JAPAN | ALUMINIUM ALLOY, COPPER IGNOT |
| 27 | Cadbury Nigeria PLC | 26,934,647.81 | NETHERLANDS, USA, GERMANY, GHANA | COCOA BUTTER, CONFECTIONERIES |
| 28 | Star Seed Nigeria Limited | 24,968,867.18 | JAPAN, TURKEY, SYRIA | SESAME SEED, HABISCUS FLOWER |
| 29 | Eleme Petrochemicals Company Limited | 24,964,147.00 | NETHERLANDS, CÔTE D'IVOIRE | PETROCHEMICALS |
| 30 | Maviga West Africa Limited | 23,832,190.61 | CHINA, JAPAN, VIETNAM | SESAME SEED, GINGER |
| 31 | Armajaro Nigeria Limited | 23,255,563.00 | USA, NETHERLANDS, INDONESIA | COCOA BEANS, COTTON |
| 32 | Everest Metal Nigeria Limited | 22,965,886.46 | GERMANY, JAPAN, INDIA | ALUMINIUM ALLOY, COPPER, LEAD |

## Table 67 Cont'd
## Top 100 Non-Oil Exporters in Nigeria in 2014

| | | | | |
|---|---|---|---|---|
| 33 | PZ Cussons Nigeria PLC | 22,166,586.65 | GHANA, CONGO DR, TOGO, LIBYA | MILK, BEAUTY & BABY CARE PRODUCTS |
| 34 | Wacot Limited | 21,212,358.24 | GERMANY, NETHERLANDS, TURKEY | SESAME SEED, GINGEER |
| 35 | Metal Recycling Industries Limited | 20,157,922.12 | JAPAN, NETHERLANDS, S/KOREA | ALUMINIUM ALLOY, COPPER |
| 36 | Hakan Agro Nigeria Limited | 17,597,956.90 | TURKEY,CHINA, JAPAN | SESAME SEED, GINGER |
| 37 | Kashford Overseas Limited | 17,516,821.59 | VIETNAM, JAPAN, TURKEY | SESAME SEED, CASHEW NUT |
| 38 | Guinness Nigeria PLC | 17,303,382.37 | GHANA, UK | ALCOHOLIC & NON-ALOHOLIC BEVERAGES |
| 39 | Armada International Limited | 14,668,612.37 | GERMANY, ISREAL, TURKEY | HABISCUS FLOWER, WOOD, SESAME SEED |
| 40 | Flour Mills Of Nigeria PLC | 14,667,413.47 | MORROCO, PEURTO RICO | SEMOLINA, POLYPROPYLENE PRODUCTS |
| 41 | Viva Metal and Plastics Industries Limited | 14,651,692.93 | CHAD, CENTRAL AFRICAN REPUBLIC, B/FASO | ASSORTED POLYABGS |
| 42 | Gongoni Company Limited | 14,533,520.64 | CÔTE D'IVOIRE, INDONESIA, MALI | INSECTICIDES, SOAP |
| 43 | West African Cotton Co. Limited | 14,309,895.19 | TURKEY, NETHERLANDS, INDIA, GERMANY | SESAME SEED, GINNED COTTON |
| 44 | Broadgrain Africa Limited | 13,167,539.87 | CHINA, TURKEY | SESAME SEED |
| 45 | MINL Limited | 13,014,095.98 | JAPAN, INDIA, GERMANY | ALUMINIUM PRODUCTS |
| 46 | Asia Plastics Industry (Nigeria) Limited | 12,949,020.02 | CHAD, CENTRAL AFRICAN REPUBLIC, B/FASO | EVA/BATHROOM SLIPPERS |
| 47 | The Okomu Oil Palm Company Plc. | 12,787,395.32 | GERMANY, FRANCE, SPAIN | NATURAL RUBBER |
| 48 | Alfa Systems & Commodity Company Limited | 12,694,806.87 | NETHERLANDS, SPAIN, GERMANY | COCOA BEANS, COCOA BUTTER |
| 49 | Beta Glass PLC | 12,645,980.48 | GHANA, CAMEROON, SIERRA LEONE | EMPTY DRINK BOTTLES |
| 50 | Success Metals Nigeria Limited | 12,114,238.83 | UAE, INDIA | COPPER IGNOT, LEAD ALLOY |
| 51 | Mel-Tech West Africa Limited | 10,949,345.29 | JAPAN, INDIA, NETHERLANDS | ALUMINIUM & COPPER IGNOT |
| 52 | Friesland Campina Wamco Nigeria Plc | 10,757,430.87 | CÔTE D'IVOIRE, GHANA | MILK |
| 53 | Decent Bag Industries Limited | 10,634,819.58 | CHAD, CENTRAL AFRICAN REPUBLIC, B/FASO | ASSORTED POLYBAGS |
| 54 | Unilever Nigeria PLC | 10,369,524.95 | CÔTE D'IVOIRE, GHANA | DETERGENTS, TOILETRIES |
| 55 | Tan Agro Limited | 10,324,260.23 | CHINA, INDIA, JAPAN | SESAME SEED, GINGER |
| 56 | Prima Corporation Limited | 10,243,292.70 | GHANA, CAMEROON, LIBERIA | PET PREFORM |
| 57 | Enkay Indo-Nigerian Industries Limited | 10,210,230.87 | CHINA, INDIA, TURKEY, VIETNAM | SESAME SEED, HABISCUS FLOWER,GINGER |
| 58 | Imoniyame Holdings Limited | 10,200,168.70 | CANADA, NETHERLANDS, UK | PROCESSED RUBBER |
| 59 | Yara Commodities Limited | 10,163,768.73 | NETHERLANDS, ESTONIA, SPAIN | COCOA BEANS |
| 60 | Gbemtan Investment Limited | 10,015,388.35 | NETHERLANDS, CANADA | COCOA BEANS |
| 61 | Criswel Equity Nigeria Limited | 8,900,985.91 | BELGIUM, NETHERLANDS, MALAYSIA | COCOA BEANS |
| 62 | M+Azeezco International Limited | 8,705,451.54 | NETHERLANDS, MALAYSIA, INDONESIA | COCOA BEANS, CASHEW NUT |
| 63 | Nestle Nigeria PLC | 8,633,111.53 | NIGER, BENIN, GHANA | MAGGI CUBE |
| 64 | Leaf Tobacco & Commodities (Nig.) Limited | 8,447,255.73 | BENIN, CAMEROON, B/FASO | CIGARETTES |
| 65 | Z - Tannery Limited | 8,432,750.97 | SPAIN, ITALY, INDIA | PROCESSED LEATHER |
| 66 | Akeem & Kamoru (Nig.) Limited | 8,361,413.00 | NETHERLANDS, SPAIN | COCOA BEANS |
| 67 | Emilola Investments Limited | 8,220,676.90 | SPAIN, NETHERLANDS | COCOA BEANS |
| 68 | Omas Commodities Resoures Nigeria Limited | 8,181,931.30 | NETHERLANDS, MALAYSIA, INDIA | COCOA BEANS |
| 69 | Notore Chemical Industries Limited | 8,143,103.64 | FRANCE, UK, MORROCO | FERTILIZER |

## Table 67 Cont'd
## Top 100 Non-Oil Exporters in Nigeria in 2014 1/

| | | | | |
|---|---|---|---|---|
| 70 | Precise Saviour Industries Limited | 7,734,119.20 | INDIA, CHINA | ALUMINIUM AND COPPER ALLOY IGNOTS |
| 71 | Metalworld Recycling Limited | 7,420,020.00 | S/KOREA, SPAIN, THAILAND | BATTERY PLATE, LEAD IGNOT |
| 72 | RMM Global Company Limited | 7,172,044.25 | JAPAN, GERMANY, CANDA | SESAME SEED, HABISCUS FLOWER, GUM ARABIC |
| 73 | Olokun (Pisces) Limited | 7,040,731.65 | BELGIUM, FRANCE | SEA FOOD |
| 74 | Standard Plastics Industry (Nig.) Limited | 7,032,220.06 | CHAD, CENTRAL AFRICAN REPUBLIC, NIGER | EVA SLIPPERS |
| 75 | Lela Agro Industries Limited | 6,837,417.60 | NIGER, SENEGAL, B/FASO | PICS SACKS, POLYPROPYLENE ROLLS |
| 76 | ORC Fishing & Food Processing Limited | 6,747,696.00 | FRANCE, NETHERLANDS | FROZEN & PROCESSED SHRIMPS |
| 77 | Cocoa Products (Ile-Oluyi) Limited | 6,642,900.00 | USA, NETHERLANDS, GERMANY | COCOA BUTTER |
| 78 | Spintex Mills (Nigeria) Limited | 5,610,770.26 | PORTUGAL, EGYPT, BULGARIA | COTTON YARN |
| 79 | Tongyi Allied Mining Limited | 5,552,331.25 | CHINA | LEAD ORE, ZINC CONCENTRATE |
| 80 | Eastern Metals Limited | 5,486,502.73 | JAPAN, THAILAND, INDIA | ALUMINIUM IGNOT, LEAD |
| 81 | Mahaza Company Limited | 5,170,544.00 | ITALY, CHINA | FINISHED LEATHER |
| 82 | B & B Leather Limited | 5,098,082.85 | SPAIN | PROCESSED LEATHER |
| 83 | Colossus Investments Limited | 5,025,353.49 | NETHERLANDS, VIETNAM, INDIA | CASHEW NUTS, COCOA BEANS |
| 84 | Agrico-Agbe Limited | 5,018,449.20 | CHINA, INDIA, UAE | SESAME SEED, GINGER |
| 85 | Lexsz Plastics Limited | 4,974,363.60 | CHINA, GHANA | WASTE PLASTIC SCRAP |
| 86 | Alkem Nigeria Limited | 4,930,377.70 | GERMANY, CHINA, INDIA | POLYESTER STAPLE FIBRE |
| 87 | Bally Plastics & Footwear Ind. (Nig) Ltd | 4,602,243.78 | CHAD, NIGER, B/FASO | EVA/PVC SLIPPERS |
| 88 | Standard Footwear (Nigeria) Limited. | 4,583,622.37 | CHAD, NIGER, B/FASO | ASSORTED BEACH COMBERS, EVA SLIPPERS |
| 89 | African Textile Manufacturers Limited | 4,494,827.00 | MALI | 100% COTTON PRINTED FABRICS |
| 90 | Courtyard Farms Limited | 4,353,170.80 | NETHERLANDS, MALAYSIA, SPAIN | COCOA BEANS |
| 91 | Indorama PET (Nigeria) Limited | 4,242,810.00 | CÔTE D'IVOIRE, GHANA | RAMAPET PET |
| 92 | Kimatrai Nigeria Limited | 4,159,008.00 | ITALY, S/AFRICA, UK | PROCESSED RUBBER |
| 93 | Agroachem Nigeria Limited | 3,950,754.55 | NETHERLANDS, SPAIN | COCOA BEANS |
| 94 | Multi-Trex Integrated Foods Plc. | 3,833,558.52 | NETHERLANDS, USA, SPAIN | COCOA BUTTER, COCOA CAKE |
| 95 | Enghuat Industries Limited | 3,806,409.60 | INDIA, LITHUANIA | PROCESSED RUBBER |
| 96 | Loquat Classic Nigeria Limited | 3,543,473.45 | MEXICO, GERMANY | HABISCUS FLOWER |
| 97 | Kanotan S.A. Limited | 3,456,400.11 | SPAIN | PROCESSED LEATHER |
| 98 | Century Exports Limited | 3,442,994.00 | INDIA, VIETNAM | CASHEW NUTS, GINGER, TUMERIC |
| 99 | Bel Papyrus Limited | 3,410,418.71 | GHANA, ANGOLA, CÔTE D'IVOIRE | TISSUE PAPER |
| 100 | Chipita Nigeria Limited | 3,388,781.70 | GREECE | SPARE PARTS |
| | **TOTAL VALUE** | **2,538,951,999.09** | | |

## Table 68
## Exchange Rate Movements
## (Naira per US Dollar)

| Month | CBN WDAS/RDAS Rate | | | | | Bureaux de Change | | | | | Interbank Rate | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2010 | 2011 | 2012 | 2013 | 2014 | 2010 | 2011 | 2012 | 2013 | 2014 |
| January | 149.78 | 151.55 | 158.39 | 157.30 | 157.29 | 153.55 | 156.13 | 164.62 | 159.12 | 171.71 | 150.33 | 152.47 | 161.31 | 156.96 | 160.23 |
| February | 150.22 | 151.94 | 157.87 | 157.30 | 157.31 | 152.08 | 155.11 | 160.85 | 158.70 | 169.45 | 150.97 | 152.86 | 158.59 | 157.52 | 163.62 |
| March | 149.83 | 152.51 | 157.59 | 157.31 | 157.30 | 151.85 | 157.09 | 159.41 | 159.80 | 171.52 | 150.08 | 155.21 | 157.72 | 158.38 | 164.62 |
| April | 149.89 | 153.97 | 157.33 | 157.31 | 157.29 | 152.00 | 157.05 | 159.37 | 159.81 | 170.30 | 150.38 | 154.60 | 157.44 | 158.20 | 162.19 |
| May | 150.31 | 154.80 | 157.28 | 157.30 | 157.29 | 153.26 | 158.05 | 159.67 | 159.57 | 166.85 | 151.49 | 156.17 | 158.46 | 158.02 | 161.86 |
| June | 150.19 | 154.50 | 157.44 | 157.31 | 157.29 | 153.87 | 158.32 | 163.43 | 160.98 | 167.17 | 151.28 | 155.65 | 162.33 | 160.02 | 162.82 |
| July | 150.10 | 151.86 | 157.43 | 157.32 | 157.29 | 152.41 | 163.71 | 163.32 | 162.43 | 167.71 | 150.27 | 152.41 | 161.33 | 161.12 | 162.25 |
| August | 150.27 | 152.72 | 157.38 | 157.31 | 157.29 | 152.23 | 163.10 | 162.24 | 162.28 | 170.36 | 150.70 | 153.79 | 158.97 | 161.15 | 161.99 |
| September | 151.03 | 155.26 | 157.34 | 157.32 | 157.30 | 153.85 | 158.23 | 159.80 | 163.14 | 168.64 | 152.62 | 156.70 | 157.78 | 161.96 | 162.93 |
| October | 151.25 | 153.26 | 157.32 | 157.42 | 157.31 | 153.98 | 161.25 | 159.00 | 165.00 | 169.43 | 151.78 | 159.82 | 157.24 | 159.83 | 164.64 |
| November | 150.22 | 155.77 | 157.31 | 157.27 | 160.00 | 153.13 | 160.35 | 159.32 | 167.14 | 175.85 | 150.55 | 158.83 | 157.58 | 158.79 | 171.10 |
| December | 150.48 | 158.21 | 157.32 | **157.27** | 169.68 | 154.57 | 163.30 | 159.26 | **171.40** | 188.45 | 152.63 | 162.17 | 157.33 | 159.05 | 180.33 |
| **Average** | **150.30** | **153.86** | **157.50** | **157.31** | **158.55** | **153.06** | **159.31** | **160.86** | **162.45** | **171.45** | **151.09** | **155.89** | **158.84** | **159.25** | **164.88** |
| **End-Period** | **150.66** | **158.27** | **157.33** | **157.26** | **169.68** | **156.00** | **165.00** | **159.50** | **172.00** | **191.50** | **152.00** | **159.70** | **157.25** | **159.90** | **180.00** |

Notes: From August 2005, WDAS/RDAS Exchange Rate includes 1% commission.
Retail Dutch Auction (RDAS) was re-introduced on October 2, 2013.

## Table 69
## International Investment Position of Nigeria
## (US$' Millions)

| Type of Asset/Liability | 2010 | 2011 | 2012 /1 | 2013 /1 | 2014 /2 |
|---|---|---|---|---|---|
| | | | | | |
| **Net international investment position of Nigeria** | **(16,073.08)** | **(19,911.46)** | **(15,808.28)** | **(35,662.12)** | **(60,458.72)** |
| | | | | | |
| **ASSETS** | **79,064.36** | **92,200.32** | **121,784.49** | **125,374.50** | **119,785.76** |
| ***Direct investment abroad*** | ***5,041.01*** | ***5,864.59*** | ***7,407.15*** | ***8,644.65*** | ***10,258.94*** |
| Equity Capital and Reinvested Earnings | 5,041.01 | 5,864.59 | 7,407.15 | 8,644.65 | 10,258.94 |
| Other Capital | - | - | - | - | - |
| ***Portfolio investment abroad*** | ***12,928.11*** | ***14,551.02*** | ***16,637.23*** | ***19,883.84*** | ***23,332.99*** |
| Equity Securities | 11,508.14 | 12,995.82 | 14,908.17 | 17,505.46 | 20,264.78 |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | 11,508.14 | 12,995.82 | 14,908.17 | 17,505.46 | 20,264.78 |
| Other Sector | - | - | - | - | - |
| Debt Securities | 1,419.96 | 1,555.21 | 1,729.06 | 2,378.38 | 3,068.21 |
| Bonds and Notes | - | - | - | - | - |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | - | - | - | - | - |
| Other Sector | - | - | - | - | - |
| Money Market | 1,419.96 | 1,555.21 | 1,729.06 | 2,378.38 | 3,068.21 |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | 1,419.96 | 1,555.21 | 1,729.06 | 2,378.38 | 3,068.21 |
| Other Sector | - | - | - | - | - |
| Financial Derivatives | - | - | - | - | - |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | - | - | - | - | - |
| Other Sector | - | - | - | - | - |
| ***Other Foreign Assets*** | **28,755.99** | **39,144.93** | **53,909.69** | **53,998.69** | **51,952.28** |
| Trade Credit | 73.83 | 71.46 | 80.47 | 102.92 | 129.81 |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | - | - | - | - | - |
| Other Sector | 73.83 | 71.46 | 80.47 | 102.92 | 129.81 |
| Loans | 2,069.69 | 2,269.29 | 2,647.60 | 2,949.95 | 2,063.08 |
| Monetary Authority | - | - | - | - | - |
| Long-term | | | | | |
| Short-term | | | | | |
| General Government | - | - | - | - | - |
| Long-term | | | | | |
| Short-term | | | | | |
| Banks | 2,069.69 | 2,269.29 | 2,647.60 | 2,949.95 | 2,063.08 |
| Long-term | | | | | |
| Short-term | 2,069.69 | 2,269.29 | 2,647.60 | 2,949.95 | 2,063.08 |
| Other Sector | - | - | - | - | - |
| Long-term | | | | | |
| Short-term | | | | | |
| Currency and Deposits | 26,612.46 | 36,804.18 | 51,181.62 | 50,945.82 | 49,759.39 |
| Monetary Authority | - | - | - | - | - |
| General Government | 7,132.59 | 8,562.12 | 7,692.88 | 7,862.94 | 7,184.35 |
| Banks | 8,604.52 | 10,757.22 | 10,201.99 | 10,841.54 | 9,811.08 |
| Other Sector | *10,875.35* | *17,484.84* | *33,286.75* | *32,241.34* | *32,763.96* |
| ***Reserve Assets*** | ***32,339.25*** | ***32,639.78*** | ***43,830.42*** | ***42,847.31*** | ***34,241.54*** |
| Gold | | | | | |
| Special Drawing Rights | *2,579.83* | *2,571.92* | *2,574.57* | *2,579.58* | *2,426.28* |
| Reserve Position in the Fund (IMF) | | | | | |
| Foreign Exchange | *29,759.42* | *30,067.86* | *41,255.85* | *40,267.73* | *31,815.26* |
| | | | | | |

## Table 69 Cont'd
## International Investment Position of Nigeria
## (US$' Millions)

| | | | | | |
|---|---|---|---|---|---|
| **LIABILITIES** | **95,137.44** | **112,111.79** | **137,592.77** | **161,036.62** | **180,244.48** |
| ***Direct investment in Reporting Economy*** | ***60,326.67*** | ***69,241.56*** | ***76,368.94*** | ***81,977.41*** | ***86,671.23*** |
| Equity Capital and Reinvested Earnings | 58,826.47 | 67,486.93 | 74,546.45 | 80,126.09 | 84,806.89 |
| Other Capital | 1,500.20 | 1,754.63 | 1,822.49 | 1,851.32 | 1,864.34 |
| ***Portfolio Investment in Reporting Economy*** | ***18,116.78*** | ***23,309.58*** | ***40,510.07*** | ***54,162.23*** | ***59,454.99*** |
| Equity Securities | 8,506.64 | 11,098.92 | 21,138.89 | 26,716.30 | 27,761.26 |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | - | - | - | - | - |
| Other Sector | 8,506.64 | 11,098.92 | 21,138.89 | 26,716.30 | 27,761.26 |
| Debt Securities | 9,610.14 | 12,210.67 | 19,371.18 | 27,445.92 | 31,693.73 |
| Bonds and Notes | 7,266.99 | 9,112.43 | 15,114.63 | 22,124.81 | 25,347.61 |
| Monetary Authority | - | | | | |
| General Government | 7,266.99 | 9,112.43 | 15,114.63 | 22,124.81 | 25,347.61 |
| Banks | - | - | - | - | - |
| Other Sector | - | - | - | - | - |
| Money Market | 2,343.15 | 3,098.23 | 4,256.55 | 5,321.12 | 6,346.13 |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | 2,343.15 | 3,098.23 | 4,256.55 | 5,321.12 | 6,346.13 |
| Other Sector | - | - | - | - | - |
| Financial Derivatives | - | - | - | - | - |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | - | - | - | - | - |
| Other Sector | - | - | - | - | - |
| ***Other Liabilities*** | **16,693.98** | **19,560.64** | **20,713.75** | **24,896.99** | **34,118.25** |
| Trade Credit | - | - | - | - | - |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | - | - | - | - | - |
| Other Sector | | | | | |
| Loans | 11,142.12 | 12,634.96 | 13,859.94 | 17,181.52 | 22,795.02 |
| Monetary Authority | - | - | - | - | - |
| Long-term | | | | | |
| Short-term | | | | | |
| General Government | 4,429.25 | 5,436.06 | 6,081.02 | 8,284.06 | 9,286.38 |
| Long-term | 4,429.25 | 5,436.06 | 6,081.02 | 8,284.06 | 9,286.38 |
| Short-term | - | - | - | - | - |
| Banks | 2,492.87 | 3,179.90 | 3,030.92 | 3,677.46 | 6,110.64 |
| Long-term | 2,492.87 | 3,179.90 | 3,030.92 | 3,677.46 | 6,110.64 |
| Short-term | - | - | - | - | - |
| Other Sector | 4,220.00 | 4,019.00 | 4,748.00 | 5,220.00 | 7,398.00 |
| Long-term | 4,220.00 | 4,019.00 | 4,748.00 | 5,220.00 | 7,398.00 |
| Short-term | - | - | - | - | - |
| Currency and Deposits | 5,551.86 | 6,925.68 | 6,853.81 | 7,715.47 | 11,323.23 |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | 5,551.86 | 6,925.68 | 6,853.81 | 7,715.47 | 11,323.23 |
| Other Sector | - | - | - | - | - |

/1 Revised
/2 Provisional

Source: Central Bank of Nigeria

## Table 70
## International Investment Position of Nigeria
## (Naira Millions)

| Type of Asset/Liability | 2010 | 2011 | 2012 /1 | 2013 /1 | 2014 /2 |
|---|---|---|---|---|---|
| | | | | | |
| **Net international investment position of Nigeria** | **(2,421,570.86)** | **(3,151,387.20)** | **(2,466,881.67)** | **(5,562,523.94)** | **(10,258,635.98)** |
| | | | - | - | - |
| **ASSETS** | **11,911,835.83** | **14,592,545.21** | **19,004,469.78** | **19,555,726.28** | **20,325,247.44** |
| ***Direct investment abroad*** | **759,478.60** | **928,188.74** | **1,155,886.18** | **1,348,379.46** | **1,740,737.61** |
| Equity Capital and Reinvested Earnings | 759,478.60 | 928,188.74 | 1,155,886.18 | 1,348,379.46 | 1,740,737.61 |
| Other Capital | - | - | - | - | - |
| ***Portfolio investment abroad*** | **1,947,748.75** | **2,302,990.57** | **2,596,239.74** | **3,101,451.93** | **3,959,141.16** |
| Equity Securities | 1,733,817.05 | 2,056,848.04 | 2,326,420.40 | 2,730,475.86 | 3,438,527.57 |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | 1,733,817.05 | 2,056,848.04 | 2,326,420.40 | 2,730,475.86 | 3,438,527.57 |
| Other Sector | - | - | - | - | - |
| Debt Securities | 213,931.70 | 246,142.53 | 269,819.34 | 370,976.07 | 520,613.59 |
| Bonds and Notes | - | - | - | - | - |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | - | - | - | - | - |
| Other Sector | - | - | - | - | - |
| Money Market | 213,931.70 | 246,142.53 | 269,819.34 | 370,976.07 | 520,613.59 |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | 213,931.70 | 246,142.53 | 269,819.34 | 370,976.07 | 520,613.59 |
| Other Sector | - | - | - | - | - |
| Financial Derivatives | - | - | - | - | - |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | - | - | - | - | - |
| Other Sector | - | - | - | - | - |
| ***Other Assets*** | **4,332,377.07** | **6,195,468.38** | **8,412,606.82** | **8,422,635.03** | **8,815,263.62** |
| Trade Credit | 11,123.97 | 11,310.57 | 12,556.84 | 16,053.09 | 22,026.80 |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | - | - | - | - | - |
| Other Sector | 11,123.97 | 11,310.57 | 12,556.84 | 16,053.09 | 22,026.80 |
| Loans | 311,820.13 | 359,160.18 | 413,157.61 | 460,129.06 | 350,063.27 |
| Monetary Authority | - | - | - | - | - |
| Long-term | - | - | - | - | - |
| Short-term | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Long-term | - | - | - | - | - |
| Short-term | - | - | - | - | - |
| Banks | 311,820.13 | 359,160.18 | 413,157.61 | 460,129.06 | 350,063.27 |
| Long-term | - | - | - | - | - |
| Short-term | 311,820.13 | 359,160.18 | 413,157.61 | 460,129.06 | 350,063.27 |
| Other Sector | - | - | - | - | - |
| Long-term | - | - | - | - | - |
| Short-term | - | - | - | - | - |
| Currency and Deposits | 4,009,432.97 | 5,824,997.63 | 7,986,892.38 | 7,946,452.89 | 8,443,173.55 |
| Monetary Authority | - | - | - | - | - |
| General Government | 1,074,596.01 | 1,355,126.41 | 1,200,474.58 | 1,226,449.36 | 1,219,040.04 |
| Banks | 1,296,356.73 | 1,702,545.60 | 1,592,020.46 | 1,691,047.67 | 1,664,744.78 |
| Other Sector | 1,638,480.23 | 2,767,325.63 | 5,194,397.34 | 5,028,955.85 | 5,559,388.73 |
| ***Reserve Assets*** | **4,872,231.41** | **5,165,897.52** | **6,839,737.04** | **6,683,259.86** | **5,810,105.05** |
| Gold | - | - | - | - | - |
| Special Drawing Rights | 388,677.19 | 407,057.08 | 401,761.65 | 402,359.02 | 411,691.66 |
| Reserve Position in the Fund (IMF) | - | - | - | - | - |
| Foreign Exchange | 4,483,554.22 | 4,758,840.44 | 6,437,975.39 | 6,280,900.84 | 5,398,413.39 |
| | - | - | - | - | - |

## Table 70 Cont'd.
## International Investment Position of Nigeria
## (Naira Millions)

| | | | | | |
|---|---|---|---|---|---|
| **LIABILITIES** | **14,333,406.69** | **17,743,932.41** | **21,471,351.45** | **25,118,250.22** | **30,583,883.42** |
| ***Direct investment in Reporting Economy*** | **9,088,816.56** | **10,958,862.18** | **11,917,373.56** | **12,786,712.78** | **14,706,375.05** |
| Equity Capital and Reinvested Earnings | 8,862,796.10 | 10,681,156.55 | 11,632,973.66 | 12,497,946.96 | 14,390,033.18 |
| Other Capital | 226,020.46 | 277,705.63 | 284,399.90 | 288,765.83 | 316,341.87 |
| ***Portfolio investment in Reporting Economy*** | **2,729,474.64** | **3,689,207.50** | **6,321,596.66** | **8,448,142.88** | **10,088,323.28** |
| Equity Securities | 1,281,610.48 | 1,756,625.54 | 3,298,724.20 | 4,167,169.14 | 4,710,530.67 |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | - | - | - | - | - |
| Other Sector | 1,281,610.48 | 1,756,625.54 | 3,298,724.20 | 4,167,169.14 | 4,710,530.67 |
| Debt Securities | 1,447,864.15 | 1,932,581.96 | 3,022,872.45 | 4,280,973.73 | 5,377,792.62 |
| Bonds and Notes | 1,094,844.54 | 1,442,224.59 | 2,358,637.33 | 3,450,994.17 | 4,300,981.64 |
| Monetary Authority | - | - | - | - | - |
| General Government | 1,094,844.54 | 1,442,224.59 | 2,358,637.33 | 3,450,994.17 | 4,300,981.64 |
| Banks | - | - | - | - | - |
| Other Sector | - | - | - | - | - |
| Money Market | 353,019.61 | 490,357.37 | 664,235.13 | 829,979.57 | 1,076,810.97 |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | 353,019.61 | 490,357.37 | 664,235.13 | 829,979.57 | 1,076,810.97 |
| Other Sector | - | - | - | - | - |
| Financial Derivatives | - | - | - | - | - |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | - | - | - | - | - |
| Other Sector | - | - | - | - | - |
| ***Other Liabilities*** | **2,515,115.49** | **3,095,862.72** | **3,232,381.23** | **3,883,394.55** | **5,789,185.09** |
| Trade Credit | - | - | - | - | - |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | - | - | - | - | - |
| Other Sector | - | - | - | - | - |
| Loans | 1,678,671.85 | 1,999,735.16 | 2,162,843.66 | 2,679,947.87 | 3,867,859.14 |
| Monetary Authority | - | - | - | - | - |
| Long-term | - | - | - | - | - |
| Short-term | - | - | - | - | - |
| General Government | 667,310.81 | 860,365.22 | 948,943.17 | 1,292,135.25 | 1,575,713.38 |
| Long-term | 667,310.81 | 860,365.22 | 948,943.17 | 1,292,135.25 | 1,575,713.38 |
| Short-term | - | - | - | - | - |
| Banks | 375,575.84 | 503,282.82 | 472,975.09 | 573,604.85 | 1,036,853.12 |
| Long-term | 375,575.84 | 503,282.82 | 472,975.09 | 573,604.85 | 1,036,853.12 |
| Short-term | - | - | - | - | - |
| Other Sector | 635,785.20 | 636,087.13 | 740,925.40 | 814,207.77 | 1,255,292.64 |
| Long-term | 635,785.20 | 636,087.13 | 740,925.40 | 814,207.77 | 1,255,292.64 |
| Short-term | - | - | - | - | - |
| Currency and Deposits | 836,443.65 | 1,096,127.56 | 1,069,537.57 | 1,203,446.69 | 1,921,325.95 |
| Monetary Authority | - | - | - | - | - |
| General Government | - | - | - | - | - |
| Banks | 836,443.65 | 1,096,127.56 | 1,069,537.57 | 1,203,446.69 | 1,921,325.95 |
| Other Sector | - | - | - | - | - |

/1 Revised
/2 Provisional

Source: Central Bank of Nigeria