2019

CENTRAL BANK OF NIGERIA

ECONOMIC REPORT FOR THE FIRST HALF OF 2019

Central Bank of Nigeria
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Vision

"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,

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.*

MEMBERS OF THE BOARD OF DIRECTORS OF THE BANK AS AT JUNE 30, 2019

1.	Godwin I. Emefiele, CON	-	Governor	Chairman
2.	Edward L. Adamu	-	Deputy Governor (C S)	Member
3.	Okwu J. Nnanna	-	Deputy Governor (E P)	Member
4.	Aishah N. Ahmad	-	Deputy Governor (FSS)	Member
5.	Folashodun A. Shonubi	-	Deputy Governor (Ops)	Member
6.	Adeola Adetunji	-	Non-Executive Director	Member
7.	Idris Ahmed	-	Non-Executive Director	Member
8.	Mahmoud Isa-Dutse	-	Non-Executive Director	Member
9.	Ummu A. Jalingo	-	Non-Executive Director	Member
10.	Mike Obadan	-	Non-Executive Director	Member
11.	Justitia O. Nnabuko	-	Non-Executive Director	Member
12.	Abdu Abubakar	-	Non-Executive Director	Member
	Alice Karau	-	Secretary	

MEMBERS OF THE COMMITTEE OF GOVERNORS OF THE BANK AS AT JUNE 30, 2019

1.	Godwin I. Emefiele, CON	-	Governor (Chairman)
2.	Edward L. Adamu	-	Deputy Governor (Corporate Services)
3.	Okwu J. Nnanna	-	Deputy Governor (Economic Policy)
4.	Aishah N. Ahmad	-	Deputy Governor (Financial System Stability)
5.	Folashodun A. Shonubi	-	Deputy Governor (Operations)
	Alice Karau	-	Secretary

MEMBERS OF THE MONETARY POLICY COMMITTEE (MPC) AS AT JUNE 30, 2019

1.	Godwin I. Emefiele, CON	-	Governor (Chairman)
2.	Edward L. Adamu	-	Deputy Governor (CS)
3.	Okwu J. Nnanna	-	Deputy Governor (EP)
4.	Aishah Ahmad	-	Deputy Governor (FSS)
5.	Folashodun A. Shonubi	-	Deputy Governor (Ops)
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	Moses K. Tule	-	Secretary

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19.	Mohammed Ahmed Shehu	-	Medical Services
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29.	Ahmed Bello Umar	-	Trade & Exchange
30.	Eunice N. Egbuna**	-	Secondment to WAMI

* Overseeing the Department
**On secondment

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35.	Itohan Mercy Ogbomon-Paul	-	Uyo
36.	Sikiru Kolawole Osidele	-	Yenagoa
37.	Satu Jatau	-	Yola

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SUMMARY

POLICY FRAMEWORK

In the first half of 2019, the Central Bank of Nigeria reviewed downwards its Monetary Policy Rate (MPR) to signal the monetary policy direction. Consequently, the MPR which had been kept at 14.0 per cent since 2016 was reduced by 50 basis points to 13.50 per cent at the MPC meeting of March 20 & 21, 2019, to further encourage credit flow to the productive sector and stimulate economic growth. However, the cash reserves ratio and liquidity ratio were retained at 22.5 and 30.0 per cent, respectively. Similarly, the asymmetric corridor of +200/-500 basis points around the MPR for the standing lending and deposit facilities, respectively, were unchanged. Open Market Operations (OMO) remained the Bank's major instrument of liquidity management, complemented by reserve requirement, standing facilities, discount window operations, as well as, intervention in the foreign exchange market. The autonomous inflow through the Investors' and Exporters' (I&E) window contributed to stabilise the domestic currency.

CBN OPERATIONS:

Developmental Initiatives

The CBN sustained the implementation of its development finance initiatives, including: the Anchor Borrowers' Programme (ABP); Commercial Agriculture Credit Scheme (CACS) and the associated Paddy Aggregation Scheme (PAS); Micro, Small and Medium Enterprises Development Fund (MSMEDF); National Food Security Programme (NFSP); Power and Airline Intervention Fund (PAIF); Textile Sector Intervention Fund (TSIF); Nigeria Electricity Market Stabilisation Facility (NEMSF); Real Sector Support Facility (RSSF); Agri-business/ Small and Medium Enterprises Investment Scheme (AGSMEIS); and Accelerated Agriculture Development Scheme (AADS).

Liquidity Management

Excess liquidity continued to pose challenge to monetary policy implementation in the first half of 2019, due, largely, to increased fiscal disbursements and inflow from the settlement of matured CBN bills. The redemption of Nigerian Treasury Bills (NTBs) and FGN Bonds also impacted significantly on the liquidity condition. Consequently, the Bank intensified liquidity management pursuant to its mandate of monetary and price stability conducive for economic growth.

Payments & Clearing System

The Bank intensified effort to improve the credibility, reliability and efficiency of the Nigerian Payments System. In this regard, the Bank continued the implementation of BVN Operations and Watch-list; and its oversight function on payments service providers. It approved the establishment of the Payment System Security and Risk Management Centre (PSSRMC), to curb emerging cyber security threats in the payments space; and the implementation of the revised Nigeria Cheque Standards (NCS) and Nigeria Cheque Printers Accreditation Scheme (NICPAS).

Financial Sector Surveillance

The CBN continued its supervision and surveillance of the banking system in the first half of 2019, to further strengthen the safety, soundness and stability of the financial system. In this regard, the Bank carried out regular off-site appraisal of banks' returns and periodic on-site examination (special investigations and spot checks) to ensure compliance with the provisions of extant laws, regulations and guidelines. In the other financial institutions (OFIs) sub-sector, approval was granted for the constitution of the governance structure for the configuration of Microfinance Banks (MFBs) on the National Association of Microfinance Banks Uniform Information Technology (NAMBUIT) platform that would oversee the successful delivery of the Project mandate. The Bank continued with offsite Credit Risk Management System (CRMS) compliance status checks in line with the requirements of the Regulatory Guidelines for the Operation of the Redesigned CRMS. It commenced the re-validation of all eligible bank assets transferred to the Asset Management Corporation of Nigeria (AMCON) by banks with a view to capturing them on the CRMS platform and granting the AMCON update rights.

Asset quality of the banking industry, measured by non-performing loans ratio to total loans (NPL ratio) improved to 9.36 per cent at end-June 2019, from 12.45 per cent, in June 2018. It, however, remained above the regulatory threshold of 5.0 per cent. The industry average capital adequacy ratio (CAR) improved to 15.3 per cent, from 12.8 per cent at end-June 2018. The regulatory threshold remained at 15.0 per cent for banks with international authorisation and 10.0 per cent for those with national and regional authorisation. The industry liquidity ratio increased to 73.0 per cent at the end of the first half of 2019, from 46.1 per cent at end-June 2018, reflecting the rise in the stock of liquid assets held by banks.

The regulatory minimum liquidity ratio remained at 30.0, 20.0 and 10.0 per cent for commercial, merchant and non-interest banks, respectively.

The Bank conducted routine and special examinations of 437 other financial institutions (OFIs) in the first half of 2019. The examination covered risk-based supervision (RBS) of five (5) development finance institutions (DFIs), income audit of nine (9) primary mortgage banks (PMBs) and two (2) finance companies (FCs), target examination of 345 MFBs and 12 bureaux-de-change (BDCs), RBS and income audit of 12 MFBs, as well as, AML/CFT examination of 29 MFBs and 23 PMBs, using the Risk-Based Approach

The Bank received 1,528 complaints against banks and OFIs in the first half of 2019, compared with 1,439 in the corresponding period of 2018, and resolved 1,548 cases, including those outstanding from 2018. Compliance examination conducted on 20 banks revealed high level of compliance in the areas of facility enhancement, management, restructuring and commitment fees; deposit held as collateral; and compliance with previous directives. During the period, the CBN was admitted into the International Financial Consumer Protection Organisation (FINCONET) to deepen consumer protection and conduct supervision in Nigeria.

Foreign Exchange Management

To sustain the stability of the naira exchange rate and engender stable macroeconomic environment, the Bank continued its interventions in the foreign exchange market. During the review period, textile and palm oil were added to the list of items not valid for foreign exchange purchase at the official window, thereby bringing the total to 44 items. The exchange rate of the naira to the US dollar remained relatively stable during the period. At ₦306.90/US$ and ₦361.33/US$, average exchange rate of the naira to the US dollar depreciated by 0.4 and 0.2 per cent, at the inter-bank segment and Investors' & Exporters' window, respectively, relative to their levels in the corresponding period of 2018. It, however, appreciated by 0.7 per cent to ₦359.77/US$ at the BDC segment.

THE FINANCIAL SECTOR

Broad money supply, M_3, grew by 5.0 per cent to ₦35,018.77 billion at end-June 2019, compared with 2.4 per cent at end-June 2018. The development resulted from the growth of 17.3 and 0.4 per cent in net domestic credit and foreign assets (net) of the banking system, respectively. At ₦8,088.46 billion, reserve money rose by 13.4 per cent above its level at end-December 2018, in contrast to a decrease of 1.9 per cent at the end of the corresponding period of 2018. Quasi money grew by 9.3 per cent to ₦16,733.2 billion at end-June 2019, compared with 8.9 per cent at the end of the corresponding period of 2018. Narrow money (M_1) fell by 5.1 per cent to ₦11,159.1billion at end-June 2019, compared with 4.3 per cent at the end of the corresponding period of 2018. The development was due, largely, to the respective decline of 13.7 and 3.4 per cent in currency outside banks and demand deposits. Currency-in-circulation fell by 13.6 per cent to ₦2,014.1 billion, compared with 11.9 per cent at end-June 2018.

Net domestic credit (NDC) grew by 17.3 per cent to ₦32,332.6 billion at end-June 2019, in contrast to the decline of 3.3 per cent at the end of the corresponding period of 2018. Net claims on the Federal Government grew by 55.8 per cent to ₦7,581.5 billion at the end of the first half of 2019, in contrast to the decline of 22.9 per cent at the end of the corresponding half of 2018, due to increased holdings of government treasury bills by the banking system. Credit to the private sector grew by 9.0 per cent to ₦24,751.1 billion at end-June 2019, in contrast to a decrease of 0.04 per cent at the end of the corresponding period of 2018.

The movement in money market rates reflected the level of liquidity in the banking system in the first half of 2019. The weighted average monthly inter-bank call and OBB rates for the first half of 2019, stood at 11.30 per cent and 13.28 per cent, respectively, compared with 14.64 per cent and 12.46 per cent in the corresponding period 2018. The weighted average of the Nigeria Inter-Bank Offered Rate (NIBOR) was 13.85 per cent, compared with 14.24 per cent in the corresponding half of 2018. The average term deposit rate increased by 0.21 percentage point to 8.77 per cent, above its level in the corresponding half of 2018. Rates on deposits of various maturities ranged from 8.56 to 8.77 per cent in the first half of 2019, compared with the range of 8.54 to 9.23 per cent in the first half of 2018. With the year-on-year inflation at 11.22 per cent in June 2019, all deposit rates were negative in real terms. The weighted average prime and maximum lending rates fell by 0.29 and 0.01 percentage points to 16.27 and 30.79 per cent, respectively, below 16.57 per cent and 30.80 per cent, in the first half of 2018. Consequently, the spread between the average term deposits and maximum lending rates widened by 0.22 percentage point to 22.2 percentage points.

There was initial slowdown in activities in the capital market due to rising interest rates in the United States, which posed a major threat to the retention of portfolio investments in the review period. The market, however, closed on a mixed note, at the end of the first half of 2019. The aggregate volume and value of traded securities fell by 23.2 and 32.4 per cent to 51.50 billion shares and ₦538.67 billion, respectively, relative to the levels in the corresponding period of 2018. The aggregate market capitalisation rose by 7.3 per cent, while All-Share Index (ASI) declined by 21.7 per cent, at end-June 2019. The telecoms giant, the MTN Nigeria, was listed on the NSE by the Introduction of Premium Board of 20.4 billion ordinary shares at ₦90 per share.

THE GOVERNMENT SECTOR

Provisional gross federally-collected revenue in the first half of 2019 stood at ₦4,590.87 billion or 7.0 per cent of GDP. This indicated a 38.6 per cent decline below the proportionate budget, but was 2.1 per cent above the level in the corresponding period of 2018. The shortfall in revenue relative to half-year budget, was attributed to low earnings from both oil and non-oil components.

At ₦2,030.15 billion or 3.1 per cent of GDP, the provisional Federal Government retained revenue was lower than the half-year budget by 52.0 per cent, but was 1.2 per cent higther than the level in the corresponding period of 2018. The development, relative to the proportionate budget, was attributed to the drop in all its components. The aggregate expenditure of the Federal Government in the first half of 2019 was ₦4,531.24 billion or 6.9 per cent of GDP, representing a 12.7 per cent decline below the proportionate budget, but was above the level in the corresponding period of 2018 by 17.5 per cent. The development, relative to the proportionate budget was as a result of the decline in all the expenditure components.

Recurrent expenditure accounted for 69.6 per cent of total expenditure, while capital expenditure and statutory transfers constituted 25.3 and 5.1 per cent, respectively. The fiscal operations of the Federal Government, in the first half of 2019, resulted in an overall deficit of ₦2,501.10 billion or 3.8 per cent of GDP, against the proportionate budget of ₦959.24 billion and compared with ₦1,850.75 billion in the corresponding period of 2018. The deficit was financed from domestic source.

The consolidated debt stock of the Federal Government at end-March 2019, stood at ₦20,974.29 billion or 16.1 per cent of GDP, indicating an increase of 2.1 per cent above the level at end-December 2018. Of the total debt stock, domestic debt constituted ₦13,113.42 billion or 62.5 per cent, while external debt amounted to ₦7,860.87 billion (US$25.61 billion) or 37.5 per cent.

THE REAL SECTOR

Economic activities in first half of 2019 maintained a modest growth with sustain improvement in both oil and non-oil sectors. Data from the National Bureau of Statistics (NBS) indicated that, the gross domestic product (GDP), at 2010 constant basic prices, grew by 2.02 per cent in the first half of 2019, relative to 1.69 per cent in the corresponding period of

2018. The development was due mainly to the relative stability in the foreign exchange market, improved business climate, as well as, sustained investment in infrastructure, and sustained peace deal in the Niger Delta which ensured improved oil output. The agricultural sector witnessed improved performance in the first half of 2019 on account of concerted efforts of the Federal Government, the CBN and other stakeholders to bring about desired transformation in the sector. The Bank entered into partnership with eleven (11) palm oil-producing states for disbursement of loans at not more than 9.0 per cent interest rate to increase productivity in the sub-sector. The industrial sector recorded marginal growth, due, mainly, to improved business environment through: implementation of the 4th National Action Plan on Ease of Doing Business; agreement to increase made-in-Nigeria goods for export; improved electricity access in the rural areas through the Off-Grid Expansion Programme of the Rural Electrification Agency; and activities under the Cotton, Garment and Textile Revival initiative of the Bank.

The Niger Delta Area remained relatively calm but crude oil output witnessed a marginal decline, due to ageing infrastructure. Consequently, average daily crude oil production fell by 0.05 mbd or 2.6 per cent to 1.85 million barrels per day (mbd) or 334.9 million barrels (mb), below the level in the corresponding half of 2018. At end-June 2019, the average spot price of Nigeria's reference crude, the Bonny Light declined by 5.7 per cent to US$67.90 per barrel, compared with US$71.99 in the corresponding period of 2018. The fall in oil price was attributed to growing concerns about global economic growth, weak oil demand outlook, amid trade tension between the United States (US) and China and rising US crude oil inventories.

Inflation declined for most parts of the period except for April and May 2019. The decline was attributed to moderation in both food and non-food prices. The all-items composite Consumer Price Index (CPI) was 289.7 (November 2009=100) at end-June 2019, compared with 274.6 and 260.5 at end-December 2018 and end-June 2018, respectively. Headline inflation, on year-on-year and 12-month moving average bases stood at 11.22 and 11.30 per cent, respectively, at end-June 2019, compared with 11.23 per cent and 14.37 per cent at end-June 2018.

THE EXTERNAL SECTOR

The external sector performance remained favourable in the first half of 2019, with an overall balance of payments surplus of 2.0 per cent of gross domestic product (GDP). The current account, however, recorded a deficit of ₦1,324.44 billion, as against a surplus of ₦2,826.55 billion in the first half of 2018. The capital and financial account recorded a net financial asset of ₦2,246.70 billion (6.7% of GDP), in contrast to a net financial liability of ₦824.80 billion (1.4% of GDP) in the first half of 2018. The stock of external reserves at end-June 2019, grew by 5.1 per cent to US$44.75 billion, compared with US$42.59 billion at end-December 2018 and could finance 10.9 months of imports (goods only) or 6.2 months (goods and services).

OUTLOOK FOR THE REST OF 2019

Global growth was projected to slow to 3.2 per cent in 2019, from 3.6 per cent in 2018 (WEO, July 2019). The advanced economies were projected to grow by 1.9 per cent in 2019, compared with 2.2 per cent in 2018, mostly, reflecting an upward revision for the United States. Inflationary pressures are expected to moderate, reflecting weak global activity, and in some cases mounting disinflationary pressures, increased debt service burden and constrained monetary policy space. The gloomy outlook for 2019 was on account of the escalating trade tensions between the United States and China, and Brexit-related uncertainty, which significantly weakened consumer and business confidence, as well as, global trade.

In the emerging market and developing economies, growth was projected to weaken to 4.1 per cent in 2019, from 4.5 per cent in 2018, on account of the negative effects of escalating tariffs, weakening external demand and other idiosyncratic developments in the region.

In sub-Saharan Africa, growth was projected at 3.4 per cent in 2019, from 3.1 per cent in 2018, reflecting high oil prices. The optimistic outlook for the region reflected improved prospects for the Nigerian economy, projected to grow from 1.9 per cent in 2018 to 2.3 per cent in 2019. The South African economy was also expected to grow by 0.7 per cent in 2019, from 0.8 per cent in 2018.

The outlook for Nigeria's economy for the second half of 2019 is cautiously optimistic in the face of structural imbalances. Output in the near-term is expected to expand moderately, premised on continued growth in the oil and non-oil sectors, sustained stability in the exchange rate and the continued interventions in critical sectors of the economy.

Activities in the real sector are expected to be supported by government spending on infrastructure and CBN interventions in growth-stimulating sub-sectors. Specifically, the renewed focus of the CBN in improving credit delivery to the agricultural and manufacturing sub-sectors would moderate unemployment and give impetus to the growth trajectory. Also, the targeted FGN initiatives in the power and transport sub-sectors are expected to improve the macroeconomic environment, boost business and consumer confidence, expand production, generate employment and reduce poverty. However, the general insecurity, especially in major food-producing areas, and less-than-expected yields from the forthcoming harvest could lead to a build-up in inflationary pressure and weaken recovery.

The performance of the external sector for the rest of the year is expected to remain strong, due to continued improvement in crude oil prices and domestic oil production, improvement in net exports, modest accretion to reserves, and stable exchange rate. The outlook in the near-term, would be reinforced by the CBN's initiatives towards the diversification of the export base.

In the fiscal sector, there is mild prospect for increased government revenue, as crude oil price is expected to average US$64.00 per barrel, which is above the budget benchmark of US$60.00 per barrel. Furthermore, efforts at diversification of the economy and the expansion of the tax base, through the recent tax reform are expected to further boost government revenue. However, rising debt service obligation remains a threat to fiscal operations.

The financial sector is expected to remain resilient in the second half of 2019, on account of the CBN's commitment towards ensuring financial system stability, deeper financial inclusion through credit delivery, as well as, intensified financial literacy and consumer protection programmes. The renewed policies aimed at enhancing the payments system and the cash-less initiative are expected to further improve credibility, reliability and efficiency in the Nigerian payments system.

Selected Macroeconomic and Social Indicators 1/

Indicator	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19 2/
Domestic Output and Prices					
GDP at Current Mkt Prices (₦ billion)	44,323.45	46,172.76	53,495.25	59,638.24	67,329.35
GDP at Current Mkt Prices (US$ billion)	234.06	227.68	174.99	195.03	219.39
Nominal GDP per Capita (₦)	483,036.77	489,481.20	551,639.56	598,235.16	655,969.22
Nominal GDP per Capita (US$)	2,550.79	2,413.69	1,804.49	1,956.38	2,137.41
Real GDP per Capita (₦)	357,746.92	343,862.19	334,076.63	330,559.55	327,521.71
Real GDP per Capita (US$)	1,889.17	1,695.63	1,092.81	1,081.01	1,067.20
Real GDP Growth (%) 3/	3.14	-1.08	-0.09	1.69	2.02
Oil Sector	-7.49	-8.15	-6.58	4.63	1.71
Non-oil Sector	4.50	-0.29	0.58	1.41	2.05
Sectoral Classification GDP Growth (%) 3/					
Agriculture	4.07	3.84	3.19	2.05	2.45
Industry	-4.88	-6.93	-2.72	3.31	1.01
Construction	8.67	-5.83	0.14	3.18	1.83
Trade	5.77	0.99	-2.36	-2.36	0.30
Services	5.56	-1.04	0.41	2.40	3.04
Oil Production (mbd)	1.89	1.68	1.63	1.90	1.85
Manufacturing Capacity Utilisation (%)	***	***	***	53.09	
Inflation Rate (%) (Year-over-Year)	9.17	16.48	16.10	11.23	11.22
Inflation Rate (%) (12-month moving average)	8.42	11.37	17.58	14.37	11.30
Core Inflation Rate (%) (Year-over-Year) 4/	8.40	16.22	12.46	10.39	8.84
Core Inflation Rate (%) (12-month moving average) 4/	7.01	10.86	16.22	11.65	9.64
Food Inflation Rate (%) (Year-over-Year)	10.04	15.30	19.91	12.98	13.56
Food Inflation Rate (%) (12-month moving average)	9.53	11.67	17.87	17.75	13.42
Federal Government Finance (% of GDP) 5/					
Retained Revenue	3.57	2.83	4.39	3.36	3.02
Total Expenditure	5.10	5.45	6.15	6.47	6.73
Recurrent Expenditure	4.23	4.08	4.53	4.55	4.68
Of which: Interest Payments	1.34	1.32	1.73	1.80	1.65
Foreign	0.08	0.07	0.10	0.19	0.30
Domestic	1.26	1.25	1.63	1.61	1.35
Capital Expenditure and Net Lending	0.62	0.75	1.01	1.53	1.71
Transfers	0.26	0.21	0.32	0.22	0.41
Current Balance (Deficit(-)/Surplus(+))	-0.65	-1.26	-0.14	-1.19	-1.67
Primary Balance (Deficit(-)/Surplus(+))	-0.19	-1.30	-0.02	-1.30	-2.07
Overall Fiscal Balance (Deficit(-)/Surplus(+))	-1.53	-2.62	-1.76	-3.10	-3.71
Financing	1.53	2.62	1.76	3.10	3.71
Foreign	0.00	0.00	0.00	0.00	0.00
Domestic	1.53	2.62	1.76	3.10	3.71
Banking System	0.00	0.00	0.00	0.00	0.00
Non-Bank Public	0.74	1.14	0.00	0.69	0.61
Others	0.78	1.49	1.76	2.42	3.11
Consolidated Government Debt Stock 6/	11.76	14.94	15.55	15.85	
External	2.29	3.45	4.30	5.66	
Domestic	9.47	11.49	11.25	10.19	12.47

Selected Macroeconomic and Social Indicators 1/ . . . Continued

Indicator	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19 2/
Money and Credit (Growth Rate %)					
Reserve Money	0.25	-7.58	-6.29	-1.91	13.35
Narrow Money (M_1)	-4.87	11.05	-9.59	-4.25	-5.03
Broad Money (M_2)	-0.39	10.23	-6.83	2.79	3.07
Broad Money (M_3)	2.16	10.57	-0.64	2.35	4.63
Net Foreign Assets	-14.42	25.69	-7.45	18.15	0.40
Net Domestic Assets	10.03	5.24	2.58	-16.29	9.83
Net Domestic Credit	11.08	13.93	1.41	-3.25	17.29
Net Credit to Government	118.79	9.66	7.69	-22.92	55.84
Credit to Private Sector	4.26	14.59	0.02	-0.04	9.03
Money Multiplier for M_3	3.65	4.47	5.17	4.61	4.32
Income Velocity of M_3	4.09	3.85	3.78	4.06	3.86
Interest Rates (% per annum)					
Monetary Policy Rate (MPR) (end period) 7/	13.00	12.00	14.00	14.00	13.50
Repurchase Rate (Average)					
Reverse Repurchase Rate (Average)					
Treasury Bill Rate (Average)					
91-day	9.95	8.32	13.50	10.00	10.17
Inter-bank Call Rate (end-period)	10.85	35.26	13.46	5.00	5.00
Deposit Rates (end-period)					
Savings Rate	3.60	3.61	4.08	4.07	3.93
3-months Fixed	10.27	6.92	9.01	9.38	9.10
6-months Fixed	10.81	6.59	10.68	10.15	10.84
12-months Fixed	10.83	5.17	11.15	10.05	10.57
Prime Lending Rate (end period)	17.24	16.78	17.59	16.78	15.80
Maximum Lending Rate (end period)	26.84	26.93	30.94	31.17	31.04
External Sector					
Current Account Balance (% of GDP) 5/	-3.44	-0.29	2.72	2.96	-2.58
Goods Account	-1.18	-1.19	2.43	6.03	1.48
Services Account (net)	-3.64	-1.65	-2.45	-5.46	-7.38
Income Account (net)	-3.11	-1.81	-3.16	-3.68	-2.81
Current Transfers	4.49	4.36	5.90	6.07	6.13
Capital and Financial Account Balance (% of GDP) 5/	1.25	0.12	1.87	-0.71	-3.64
Overall Balance (% of GDP) 5/	-2.60	-0.68	1.87	4.01	0.98
External Reserves (US$ million)	28,335.21	26,505.50	30,340.96	47,157.90	44,747.02
Number of Months of Import Equivalent	6.11	8.14	11.02	15.33	9.58
Debt Service Due (% of Exports of Goods and Services)					
Average Crude Oil Price (US$/barrel)	58.54	40.51	52.19	71.99	67.90
Average Official Rate (₦/US$)	189.37	202.79	305.70	305.79	306.90
End of Period Official Rate (₦/US$)	196.95	283.00	305.90	305.75	306.90
Average Bureau de Change Exchange Rate (₦/US$)	213.55	325.00	426.85	362.25	359.77
End of Period Bureau de Change Exchange Rate (₦/US$)	225.50	348.00	366.00	360.50	360.00
Capital Market					
All Share Value Index (1984=100)	33,456.83	29,597.79	33,117.48	38,278.55	29,966.87
Value of Stocks Traded (₦ billion)	557.13	313.25	376.77	798.63	539.74
Market Capitalization (₦ Trillion)	11.42	9.79	11.45	13.87	13.21
Social Indicators					
Population (million)	183.52	188.66	193.95	199.38	205.28
Population Growth Rate (%)	2.80	2.80	2.80	2.80	2.80
Life Expectancy at Birth (Years)	***	***	***	***	***
Adult Literacy Rate (%)	***	***	***	***	***
Incidence of Poverty	***	***	***	***	***

1/ Revised
2/ Provisional
3/ Based on GDP measured at basic prices.
4/ Core Inflation is measured as the rate of change of all-item Consumer Price Index (CPI) less farm produce.
5/ Computations are based on GDP at Current Market Prices.
6/ Includes State Government Debts
7/ MPR replaced MRR with effect from December 11, 2006.

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

CENTRAL BANK OF NIGERIA
REPORT FOR THE FIRST HALF OF 2018

1.0 INTRODUCTION

The domestic economy witnessed a modest growth in the first half of 2019, driven, largely, by enhanced crude oil receipts, external reserves accretion, moderation in inflation and relative stability in the exchange rate. The economy was, however, impacted by slow growth in global output, arising from the escalating US–China trade dispute, uncertainties surrounding the Brexit and geopolitical tensions in the Middle East. The Bank relaxed its monetary policy stance but sustained secondary market intervention sales in the foreign exchange market, and also retained the Investors' and Exporters' (I&E) window to boost foreign exchange supply from autonomous sources so as to stabilise the domestic currency. The framework for monetary policy remained monetary targeting, with the monetary policy rate (MPR) as the anchor for signaling the direction of short-term money market rates. Open Market Operations (OMO) remained the major instrument for liquidity management, complemented by cash reserve ratio (CRR), standing facilities window and intervention in the foreign exchange market.

Table 1
Monetary Policy Benchmarks and Outcomes
(Growth in % except otherwise stated)

Key Variables	Dec 2016		Jun 2017		Dec 2017		Jun 2018		Dec 2018		Jun 2019	
	Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome
Broad Money (M_3)		31.23		-0.64		0.59		2.35		16.36		4.97
Broad Money (M_2)	11.0	17.78	10.3	-6.83	10.3	2.33	10.48	2.79		12.13		3.04
Narrow Money (M_1)	11.3	31.5	11.0	-9.59	11.07	-0.85	8.04	-4.25		5.16		-5.05
Base Money (Reserve)	13.2	0.61	11.4	-6.29	11.4	10.88	9.69	-1.91		10.05		13.35
Net Domestic credit (NDC)	17.9	24.27	17.9	1.41	17.93	-3.45	12.45	-1.43		6.34		17.26
Credit to Government (Net)	47.43	68.58	33.1	7.69	32.9	-25.32	54.25	-9.74		33.72		55.80
Credit to the private sector	13.4	17.42	14.9	0.02	14.9	1.4	5.75	-0.07		1.87		9.00
Inflation rate	11.9	18.6	10.7	16.1	10.7	15.37	13.00	11.23				
Real GDP	3.6	-1.3	4.1	0.55	4.09	2.11	2.50	1.5				

Source: CBN

2.0 OPERATIONS OF THE CENTRAL BANK OF NIGERIA

2.1 Liquidity Management

In the first half of 2019, the domestic economy continued to face liquidity challenges in the banking system due, primarily, to increased fiscal disbursements. The inflow from maturing CBN bills and the redemption of Nigerian Treasury Bills (NTBs) and the FGN Bonds also exacerbated the liquidity condition. Consequently, the Bank intensified liquidity management pursuant to its mandate of monetary and price stability conducive for economic growth. The Bank, generally, adopted policy measures to promote financial market efficiency, boost foreign capital inflow and stabilise the domestic currency. Open Market Operations (OMO) remained the major instrument of liquidity management, complemented by reserve requirements, standing facilities and discount window operations.

The MPR was reduced to 13.50 per cent at the March 2019 Monetary Policy Committee (MPC) meeting but the asymmetric corridor of +200/-500 basis points for the standing lending facility (SLF) and the standing deposit facility (SDF), respectively, was retained. The Cash Reserve Ratio (CRR) and Liquidity Ratio (LR) were also retained at 22.5 and 30.0 per cent, respectively, during the review period. Consequently, reserve money stood at ₦8,088.46 billion at end-June 2019, reflecting an increase of 27.2 and 13.4 per cent above its levels in the corresponding and preceding periods of 2018, respectively. The Bank also sustained its intervention in the foreign exchange market, and retained the I&E window to encourage autonomous inflow of foreign exchange and stabilise the domestic currency.

2.2 Monetary Policy Committee (MPC) Decisions

In the first half of 2019, the Monetary Policy Committee (MPC) held three (3) regular meetings. A summary of key decisions of the Committee was as follows:

Table 2
Monetary Policy Committee Decisions during the First Half of 2019

Date of Meeting	Type of Meeting	Decision
January 21 and 22, 2019	**Regular**	• Retained the MPR at 14.0 per cent; • Retained the CRR at 22.5 per cent; • Retained the LR at 30.0 per cent; and • Retained the asymmetric corridor at +200/– 500 basis points around the MPR.
March 20 and 21, 2019	**Regular**	• Reduced the MPR by 50 basis points from 14.00 to 13.50 per cent; • Retained the CRR at 22.5 per cent; • Retained the LR at 30.0 per cent; and • Retained the asymmetric corridor at +200/– 500 basis points around the MPR.
May 20 and 21, 2019	**Regular**	• Retained the MPR at 13.50 per cent; • Retained the CRR at 22.5 per cent; • Retained the LR at 30.0 per cent; and • Retained the asymmetric corridor at +200/– 500 basis points around the MPR.

Source: Central Bank of Nigeria MPC Communiqués

2.3 Developments in the Payments System

In the review period, the Bank continued to improve on the safety and efficiency of the Nigerian Payments System.

2.3.1 Payments System Initiatives

2.3.1.1 Framework for Bank Verification Number (BVN) Operations and Watch-list

At end-June 2019, the number of BVN increased by 13.6 per cent to 38.3 million, compared with 33.7 million, recorded in the corresponding period of 2018. Active customer accounts stood at 72.9 million, out of which 51.4 million accounts, representing 70.5 per cent, had been linked with BVN, and 1,463 were listed in the BVN watch-list.

2.3.1.2 Nigeria Electronic Fraud Forum (NeFF)

The 2018 Annual Report of the NeFF (a multi-industry anti-electronic fraud initiative) with the theme "Emerging Fraud Threats: An Evaluation of the Industry Cybersecurity Posture" was released in the review period. The Report analysed the industry posture towards cyber security issues and proffered responses to associated threats.

In a bid to keep in check rising incidences of SIM Swap fraud, outcome of consultations had proposed that Mobile Network Operators be allowed to submit SIM swap/churn status on real time basis and that banks be allowed to query the database and take further precautions in the event of a suspicious SIM Swap.

In the review period, the CBN approved the commencement of the implementation of recommendations for the establishment of the Payments System Security and Risk Management Centre (PSSRMC). When operationalised, the Centre would curb emerging cyber security threats in the country's payments space.

2.3.1.3 Licensing of Payments System Participants

The CBN sustained its oversight on payments service providers. In the review period, seven (7) licences were issued. Of these, one (1) was issued to a mobile money operator, while two (2) each were issued to payments solution service providers, payment terminal service providers, and super agents. At the end of the review period, 96 payments system participants had valid licences to operate in the different segments of the payments system, compared with 77 participants in the corresponding period of 2018.

Table 3: Licensed Payments System Participants

License -Type	Number		
	June 2018	**Dec. 2018**	**June 2019**
Card Schemes	4	6	6
Mobile Money Operators	25	25	26
Payment Solution Service Providers	12	13	15
Payment Terminal Service Providers	19	19	21
Transaction Switching Companies	7	7	7
Third Party Processors	4	4	4
Accredited Cheque Printers	6	7	7
Super Agents	-	3	5
Non-Bank Acquirers	-	5	5
Total	**77**	**89**	**96**

Source: CBN

2.3.1.4 Examination of Payments Service Providers

The Bank examined selected licensed Payment Service Providers (PSPs) with the aim of identifying risk areas and monitoring compliance with relevant guidelines. The exercise revealed a few infractions which included: lack of fraud management tools; failure to conduct failover test; failure to meet up with the revised minimum capital requirement; non-compliance with biometric access to restricted areas; late/non-rendition of regulatory returns; and non-documentation of issues. The identified risks were flagged with recommendations for improvement, while observed infractions were sanctioned, appropriately.

2.3.1.5 Revised Nigeria Cheque Standards and Cheque Printers Accreditation Scheme

The Bank commenced the implementation of the revised Nigeria Cheque Standards (NCS) and Nigeria Cheque Printers Accreditation Scheme (NICPAS) in the review period. Readiness checks on cheques, management centers and accredited cheque printers were carried out to ensure compliance with the new standards. A parallel run of old and new cheques was slated for September 1, 2019 to August 1, 2020. Thereafter, only cheques that conform to the new standards would be allowed in the clearing system. The new standards would improve the safety and efficiency of the clearing system as they address the vulnerabilities associated with old standards.

2.3.1.6 Payments System Vision 2020 (PSV 2020)

In continuation of the implementation of the PSV 2020 and preparation for the development of the PSV2030, views and insights were sought from a wide group of stakeholders and experts. The feedback was used to articulate the PSV2030 Framework, which recognises the swiftly evolving user requirements, technical solutions, regulatory environments and external threats that typify the industry. In addition, through the Payments Scheme Boards, Special Interest Working Groups and Initiative Working Groups, the CBN:

- Was working towards the implementation of the proposed risk-based collateral management model that addresses liquidity and credit risks associated with the Deferred Net Settlement System;
- Was developing the draft of the "Regulation for the Operation of Indirect Participants in the Payments System";
- Developed the draft of the "Revised Standards on Nigeria Uniform Bank Account Number (NUBAN) for Banks and Other Financial Institutions";
- Developed the draft of the "Regulation on End-to-End Electronic Payments of Salaries, Pensions and other Remittances, Suppliers and Revenue Collections in Nigeria"; and
- Developed the draft of "Nigerian Payments System Risk and Information Security Management Framework", to set out standards regarding the management of risks in the payments system.

2.3.2 Retail Payments

2.3.2.1 Electronic Payments

The volume and value of electronic payments increased to 1,233.04 million and ₦76,478.35 billion at end-June 2019, compared with 953.0 million and ₦62, 816.27 billion at end-June 2018, respectively, representing an increase of 29.4

and 21.8 per cent. The rise in both volume and value of transactions reflected higher adoption of this mode of payment by economic agents.

Table 4
Volume and Value of Electronic Payments

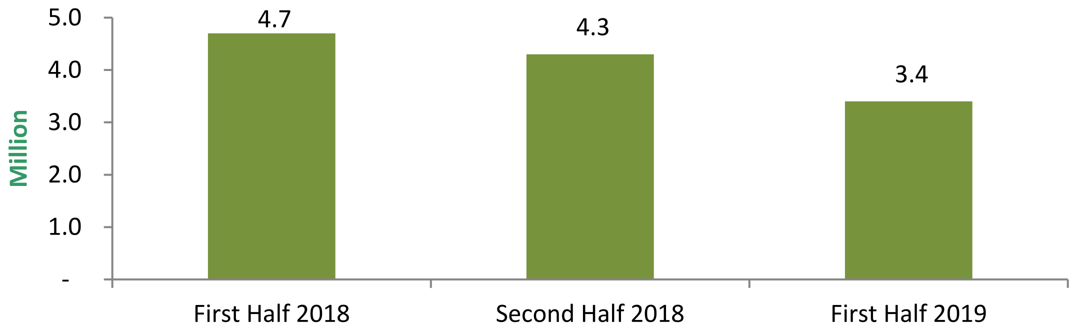
Payment Channel	Number of Terminals		Number of Transactions			% Change (Volume)	Value ₦' Billion			% Change (Value)
	Jun 2018	Jun 2019	Jun-18 (Million)	Dec-18 (Million)	Jun-19 (Million)		Jun-18	Dec-18	Jun-19	
ATMs	18,052	18,913	429.8	445.7	424.6	-1.21	3,172.12	3,307.97	3,238.43	2.09
POS	118,707	166,078	120.8	175.1	187.7	55.38	1,018.36	1,364.75	1,383.62	35.87
Mobile			27.6	51.1	25.7	-6.88	594.91	1,091.02	564.92	-5.04
Internet (Web)			17.7	31.3	47.9	170.62	109.54	290.60	223.90	104.40
NIP			308.4	354.7	504.2	63.49	36,892.99	43,530.03	49,350.18	33.77
e-Bills Pay			0.5	0.5	0.6	20.00	256.65	243.56	281.56	9.71
REMITA			20.3	24.2	21.6	6.40	9,319.06	9,176.93	9,839.29	5.58
NAPS			8.9	18.5	20.6	131.46	4,003.67	8,075.24	11,596.45	189.65
Total			**953.0**	**1,050.2**	**1,232.9**		**62,816.27**	**67,080.10**	**76,478.35**	

Source: CBN

2.3.2.2 Cheque

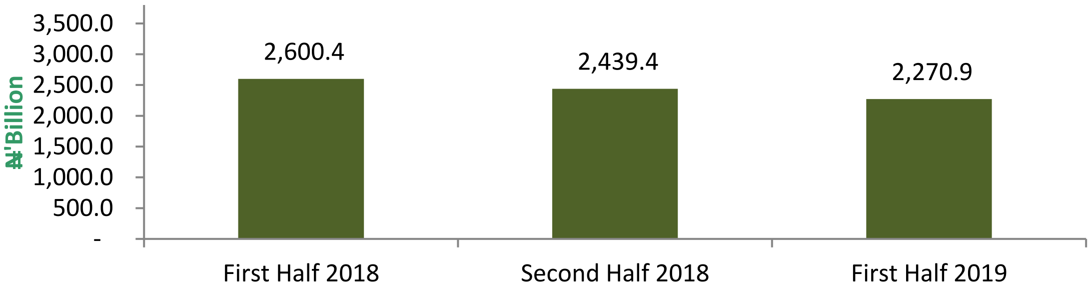
The volume and value of cheques decreased to 3.4 million and ₦2,270.92 billion, respectively, in the first half of 2019, from 4.7 million and ₦2,600.43 billion in the corresponding period of 2018, reflecting declines of 27.7 and 12.7 per cent. The decrease was attributed to growing customers' preference for electronic payment channels.

Figure 1
Volume of Cheques Cleared (Million)



Source: CBN

Figure 2
Value of Cheques Cleared (₦' Billion)



Source: CBN

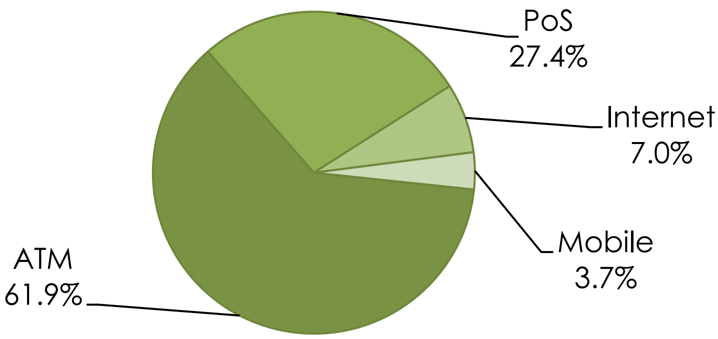
2.3.2.3 Electronic Transactions

During the review period, the volume and value of electronic transactions, comprising ATM, PoS, Mobile payments and Internet, increased to 685.9 million and ₦5,410.87 billion in the first half of 2019, compared with 596.0 million and ₦4,894.90 billion in the corresponding period of 2018, representing, an increase of 15.1 and 10.5 per cent, respectively. The increase in both volume and value reflected greater usage of electronic-based transactions.

A breakdown of the volume and value of e-payment channels for the review period indicated that ATM remained the most patronised, accounting for 61.9 per cent, followed by PoS and web (internet), with 27.4 and 7.0 per cent, respectively. Mobile payment was the least patronised, accounting for 3.7 per cent of the total. In terms of value, ATM accounted for 59.9 per cent; PoS, 25.6 per cent; mobile payment, 10.4 per cent; and the web (Internet), 4.1 per cent.

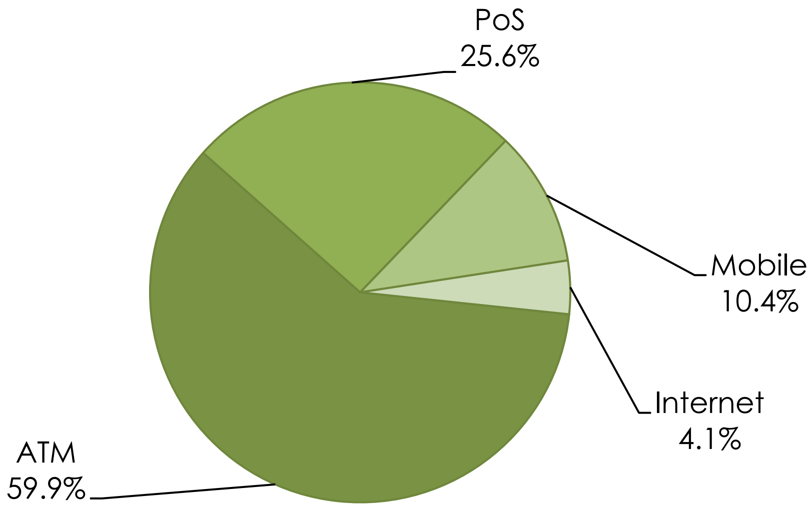
Figure 3
Classification of Electronic Payment by Volume, First Half 2019

(Per cent)



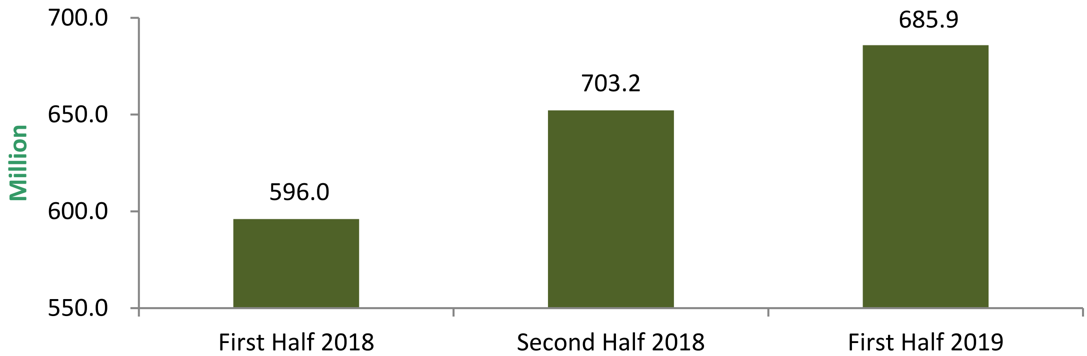
Source: CBN

Figure 4
Classification of Electronic Payment by Value, First Half 2019
(Per cent)



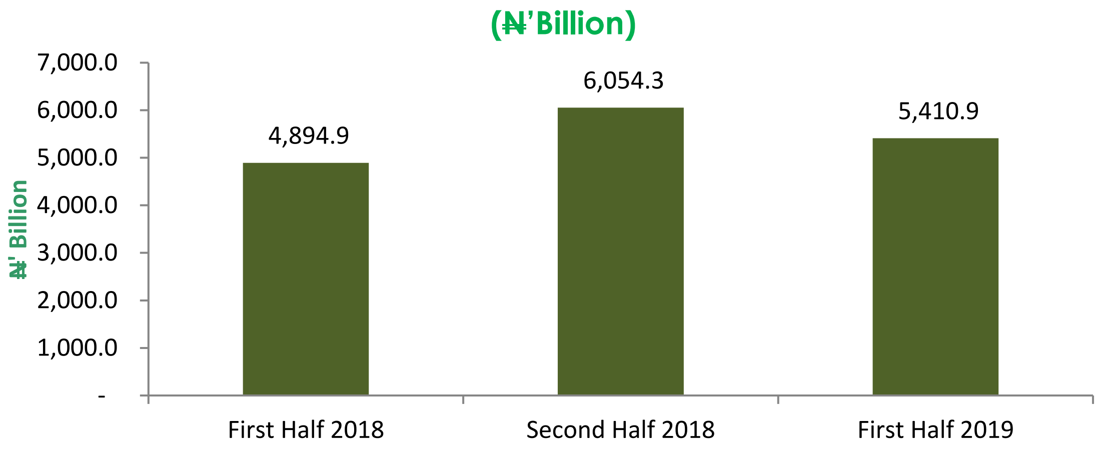
Source: CBN

Figure 5
Volume of Electronic Payments
(Million)



Source: CBN

Figure 6
Value of Electronic Payments

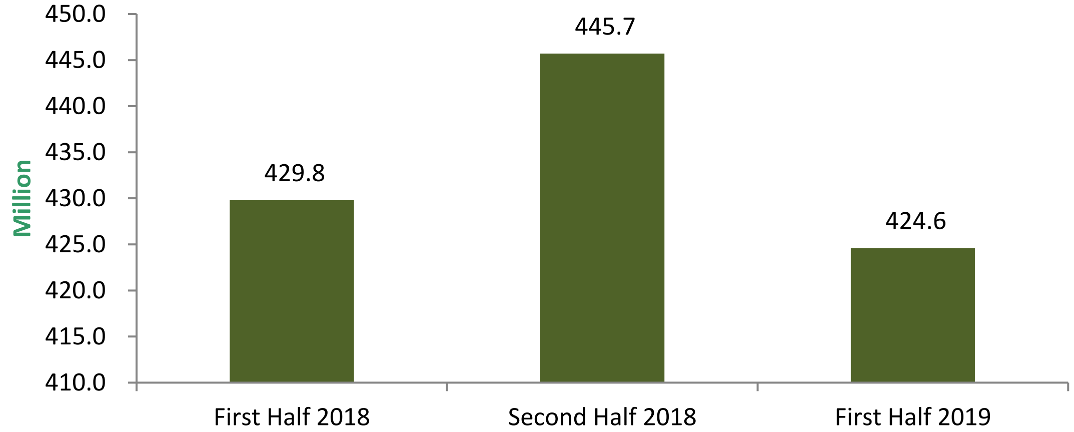


Source: CBN

2.3.2.3.1 ATM Transactions

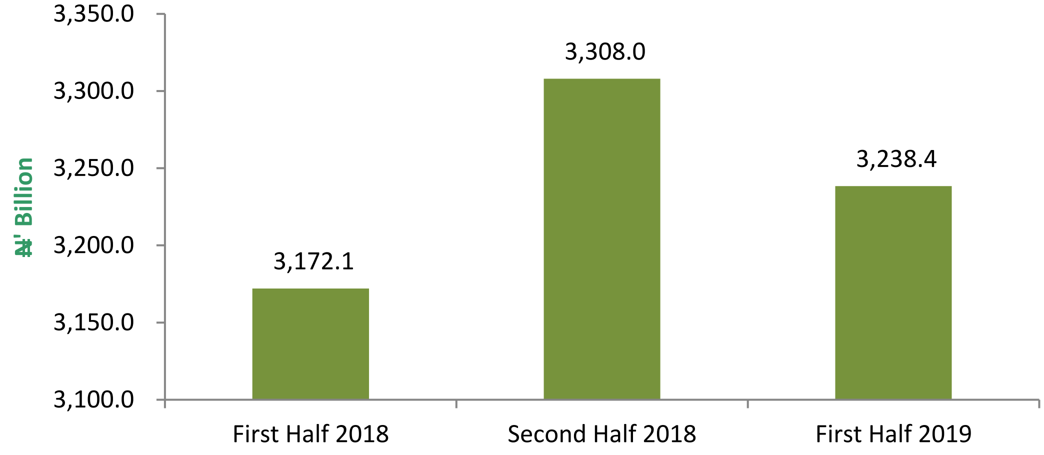
The number of ATM units at end-June 2019 stood at 18,913, compared with18,052 in the corresponding period of 2018. The volume of transactions decreased by 1.2 per cent to 424.6 million, compared with 429.8 million in the corresponding period of 2018. The value of transactions, increased by 2.1 per cent to ₦3,238.43 billion, compared with ₦3,172.12 billion in the corresponding period.

Figure 7
Volume of ATM Transactions
(Million)



Source: CBN

Figure 8
Value of ATM Transactions
(₦' Billion)

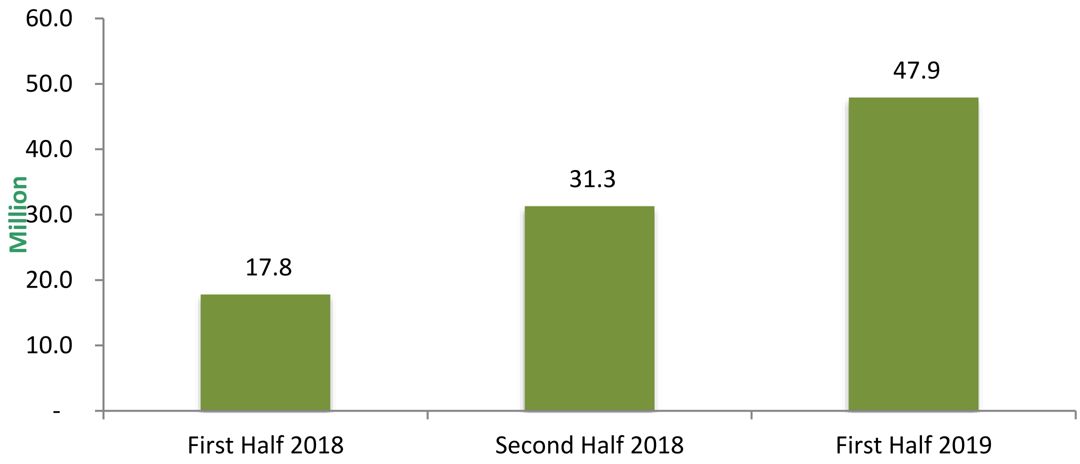


Source: CBN

2.3.2.3.2 Web Transactions

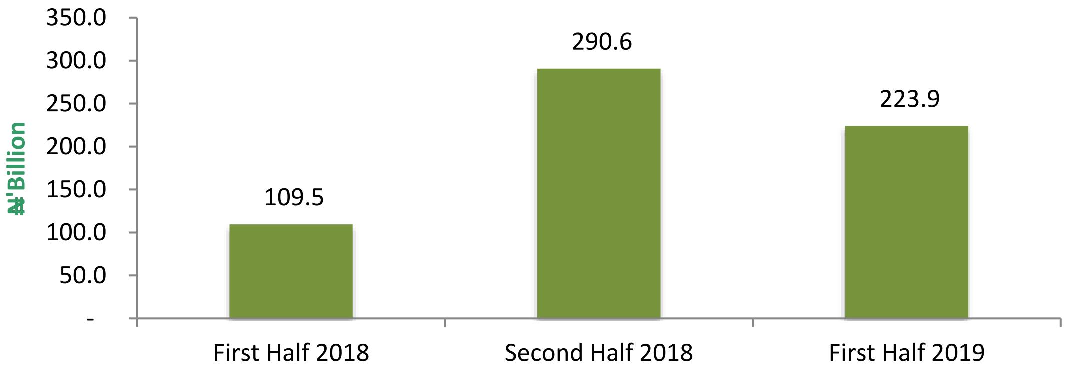
The volume and value of internet transactions increased in the first half of 2019 by 169.1 and 104.5 per cent to 47.9 million and ₦223.90 billion, respectively, compared with 17.8 million and ₦109.54 billion, in the corresponding period of 2018. The development reflected increased awareness and acceptance of the internet payment option.

Figure 9
Volume of Web Transactions
(Million)



Source: CBN

Figure 10
Value of Web Transactions
(₦'Billion)

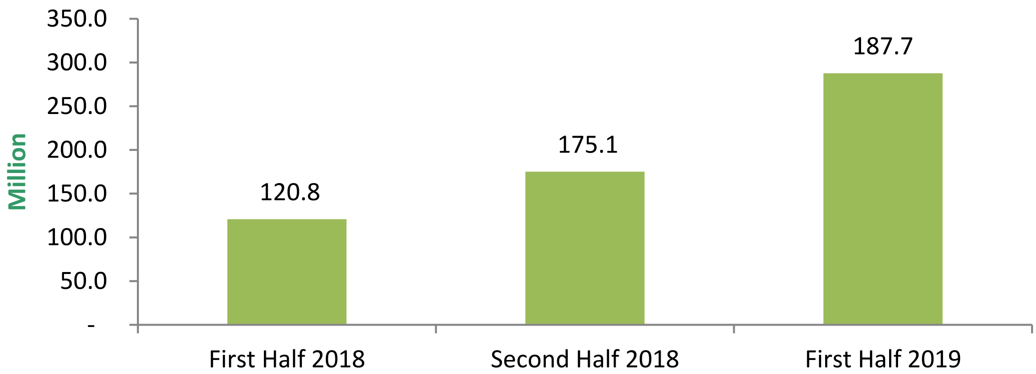


Source: CBN

2.3.2.3.3 Point of Sale (PoS) Transactions

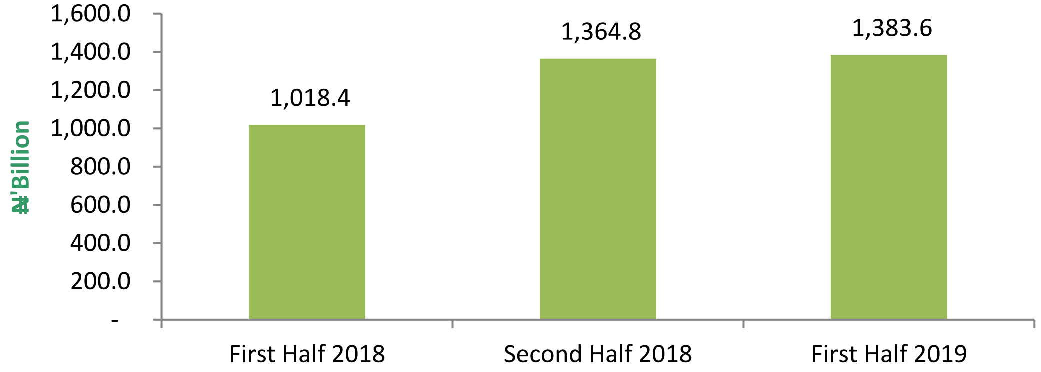
The number of PoS terminals deployed at end-June 2019 was 166,078, compared with 118,707 in the corresponding period of 2018. The volume and value of transactions rose by 55.4 and 35.9 per cent to 187.7 million and ₦1,383.62 billion, respectively, in the first half of 2019, compared with 120.8 million and ₦1,018.36 billion in the corresponding period of 2018, on account of sustained increase in public confidence in the channel.

Figure 11
Volume of PoS Transactions
(Million)



Source: CBN

Figure 12
Value of PoS Transactions
(₦'Billion)

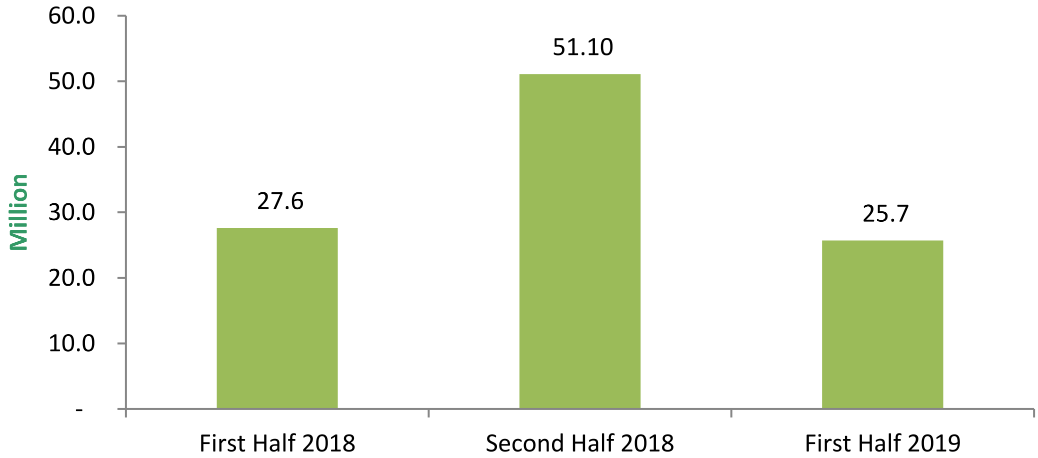


Source: CBN

2.3.2.3.4 Mobile Payments

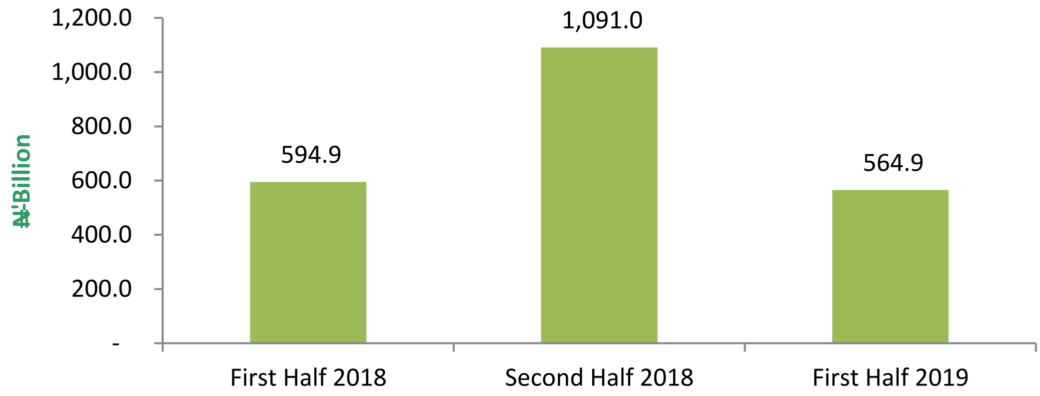
The volume and value of mobile payments decreased by 6.9 and 5.0 per cent to 25.7 million and ₦564.9 billion, respectively, in the first half of 2019, compared with 27.6 million and ₦594.91 billion in the corresponding period of 2018. The decline in the use of mobile payments option was due to consumers' preference for alternative channels.

Figure 13
Volume of Mobile Transactions
(Million)



Source: CBN

Figure 14
Value of Mobile Transactions
(₦'Billion)



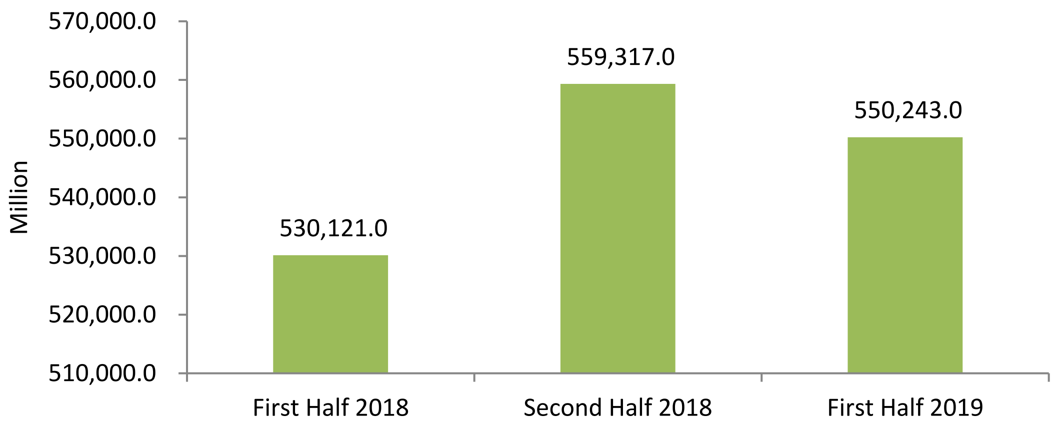
Source: CBN

2.3.3 Wholesale Payments System

2.3.3.1 Real Time Gross Settlement (RTGS) System

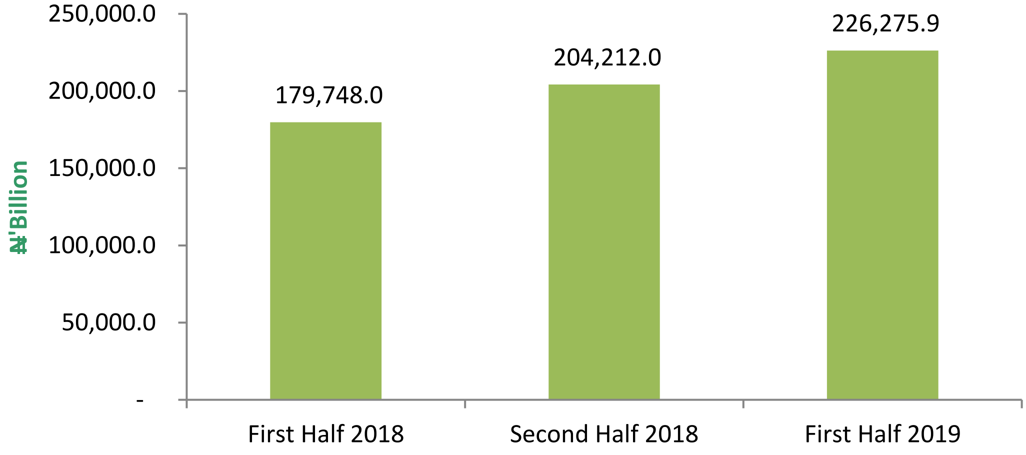
The volume and value of inter-bank fund transfers through the RTGS System increased to 550,243 and ₦226,275.85 billion, respectively, in the first half of 2019, compared with 530,121 and ₦179,748.00 billion in the corresponding period of 2018. These represented increase of 3.8 and 25.9 per cent in volume and value, respectively.

Figure 15
Volume of RTGS Transactions
(Million)



Source: CBN

Figure 16
Value of RTGS Transactions
(₦' Billion)

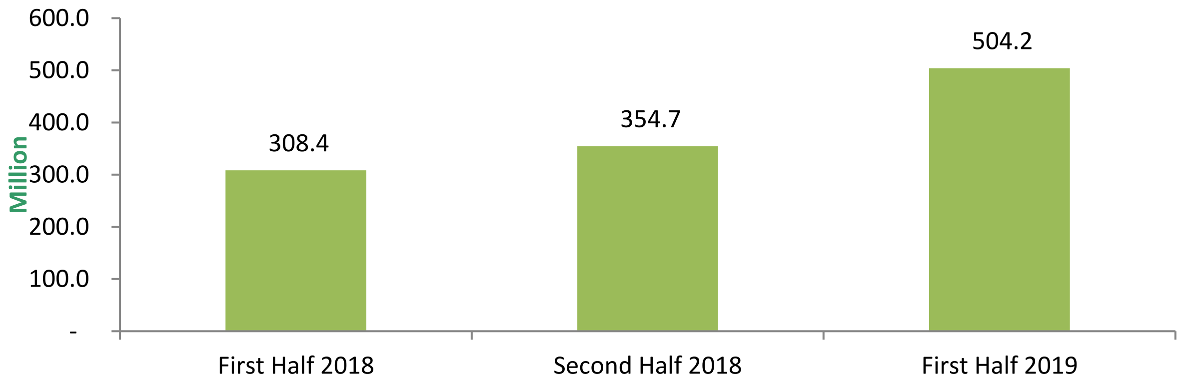


Source: CBN

2.3.3.2 Nigeria Inter-bank Settlement System Instant Payment (NIP)

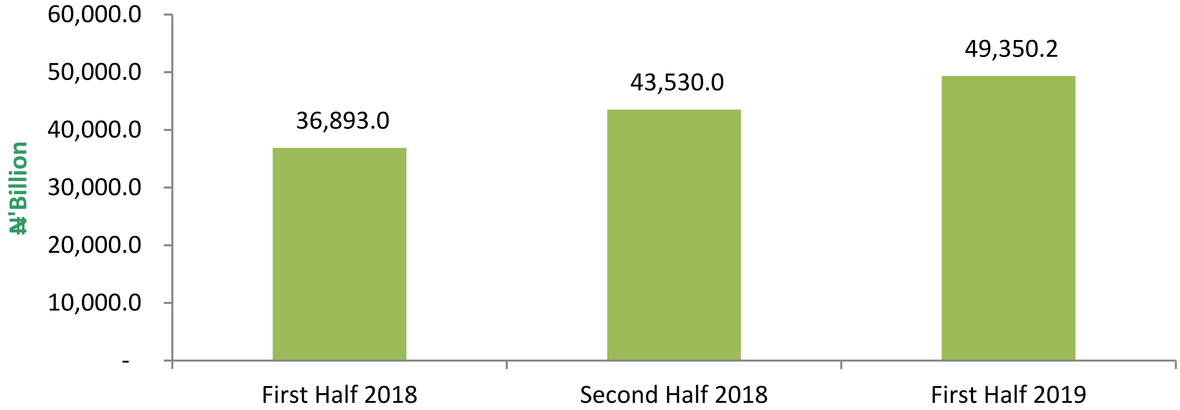
The volume and value of the NIBSS Instant Payment transactions increased to 504.2 million and ₦49,350.18 billion, respectively, in the first half 2019, from 308.4 million and ₦36,892.99 billion, in the corresponding period of 2018. This indicated respective increase of 63.5 and 33.8 per cent, attributed to users' preference for instant value.

Figure 17
Volume of NIP Transactions
(Million)



Source: CBN

Figure 18
Value of NIP Transactions
(₦'Billion)

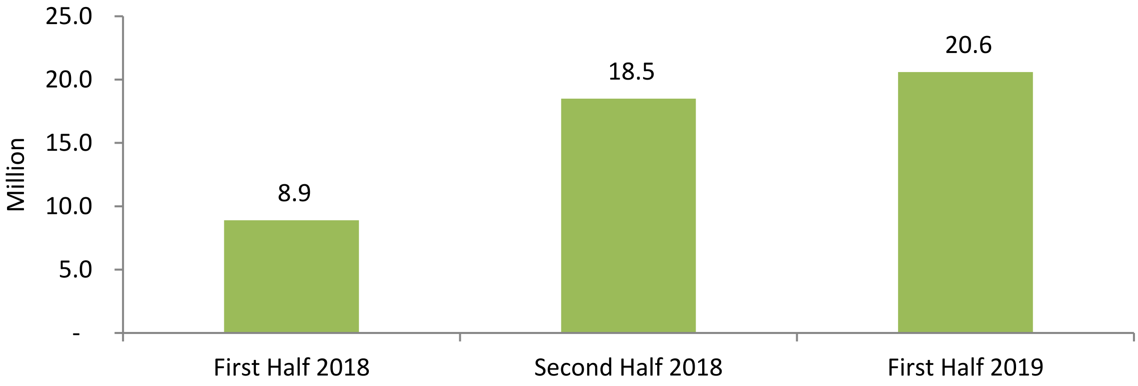


Source: CBN

2.3.3.3 NIBSS Automated Payment Services (NAPS)

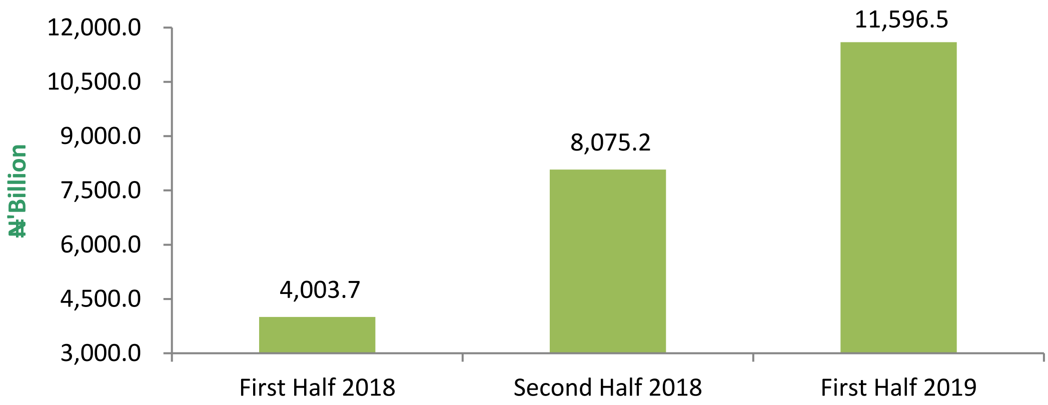
During the review period, the volume and value of the NIBSS Automated Payment Services (NAPS) increased by 131.5 and 189.7 per cent, respectively, to 20.6 million and ₦11,596.45 billion, compared with 8.9 million and ₦4,003.67 billion, in the first half of 2018. The significant increase in both volume and value was attributed to the inclusion of NEFT and PMS in the data for NAPS with effect from October, 2018.

Figure 19
Volume of NAPS Transactions
(Million)



Source: CBN

Figure 20
Value of NAPS Transactions
(₦'Billion)



Source: CBN

2.3.4 CURRENCY OPERATIONS

2.3.4.1 Issuance of the Legal Tender

The Bank ordered an aggregate indent of 3,830.94 million pieces of various denominations of banknotes to meet the currency needs of the economy for 2019. This indicated an increase of 479.60 million pieces or 14.3 per cent, above the 3,351.34 million pieces of banknotes ordered in the preceding year. The Bank engaged the Nigerian Security Printing and Minting (NSPM) Plc to print the entire indent. At end-June 2019, the NSPM Plc had delivered 1,266.81 million pieces or 33.1 per cent of the total indent, compared with 1,019.20 million pieces or 30.4 per cent delivered at end-June 2018.

The Bank released the "Clean Note Policy" and "Banknote Fitness Guidelines" document. The two documents were produced in collaboration with key industry stakeholders, including: Cash-in-Transit Companies (CITs), banks, Currency Processing Companies (CPCs) and the Nigerian Cash Management Scheme (NCMS). The Policy encapsulates diverse currency management activities to preserve the integrity and quality of banknotes in circulation and maintain public confidence. The Policy also provides that newly produced and used banknotes should conform to predefined currency management standards before issuance and re-circulation in the economy. The Banknote Fitness Guidelines offers the financial industry with clear and acceptable criteria for determining the quality of banknotes in circulation. The document provides guidelines on how to identify fit and unfit banknotes, and the various degradation levels of banknotes among others.

The Bank approved the mop-up of over circulated/mutilated naira banknotes from banks at no fee for a 3-month period, starting from June 3, 2019 – September 2, 2019.

Similarly, the Bank continued with processing and authentication of excess dollar deposits by banks with CBN Lagos & Abuja Branch at a handling charge of 0.03 per cent of total deposits. A total of US$12.17 billion had been processed as at June 30, 2019, with ₦11.28 billion earned as income from processing charges.

2.3.4.2 Currency-in-Circulation (CIC)

Currency-in-circulation stood at ₦2,014.07 billion at end-June 2019, representing an increase of 6.0 per cent above the level in the corresponding period of 2018. This comprised 6,409.39 million pieces of banknotes and 2,317.10 million pieces of coins, valued at ₦2,012.47 billion and ₦1.60 billion, respectively. In value terms, banknotes, increased by 6.0 per cent, compared with the level in the first half of 2018, while coins remain unchanged. The growth in CIC reflected increased economic activities and spendings associated with the 2019 general election.

In terms of composition, the combined volume of ₦5, ₦10, ₦20 and ₦50 banknotes, as share of total currency in circulation in the first half of 2018, increased to 33.2 per cent, from 27.0 per cent in the first half of 2018. Similarly, the value rose to 2.7 per cent, from 1.8 per cent in the corresponding period of 2018. At end-June 2019, the value of ₦1,000, ₦200, ₦50, ₦20, ₦10 and ₦5 banknotes in circulation rose by 9.0, 9.5, 192, 16.3, 29.0 and 27.1 per cent, respectively. The value of ₦500 and ₦100 denominations, however, declined by 2.7 and 10.0 per cent, respectively, compared with the levels in the first half of 2018. In value terms, the ₦1,000 and ₦500 banknotes remained dominant with shares of 62.5 and 25.8 per cent, compared with 60.7 and 28.1 per cent, respectively, in the first half of 2018.

Table 5
Structure of CIC

Coins	Jun-15		Jun-16		Jun-17		Jun-18		Jun-19	
June 2015 - June 2019										
	Volume (million)	Value (₦ billion)	Volume (million)	Value (₦ billion)	Volume (million)	Value (₦ billion)	Volume (million)	Value (₦ billion)	Volume (million)	Value (₦ billion)
₦2	204.37	0.41	204.36	0.41	204.37	0.41	204.37	0.41	204.37	0.41
₦ 1	736.05	0.74	736.05	0.74	736.05	0.74	736.05	0.74	736.05	0.74
50k	681.48	0.34	681.48	0.34	681.48	0.34	681.48	0.34	681.48	0.34
25k	348.25	0.09	348.25	0.09	348.25	0.09	348.25	0.09	348.25	0.09
10k	315.58	0.03	315.58	0.03	315.58	0.03	315.58	0.03	315.58	0.03
1k	31.37	0.00	31.37	0.00	31.37	0.00	31.37	0.00	31.37	0.00
Sub Total	**2,317.10**	**1.61**	**2,317.09**	**1.60**	**2,317.10**	**1.60**	**2,317.10**	**1.60**	**2,317.10**	**1.60**
Notes										
₦1000	946.90	946.90	1,029.37	1,029.37	1,156.82	1,156.82	1,154.35	1,154.35	1,258.45	1,258.45
₦500	951.29	475.64	1,000.16	500.08	1,075.69	537.84	1,066.75	533.37	1,038.14	519.07
₦200	339.57	67.91	400.66	80.13	495.06	99.01	530.78	106.16	581.11	116.22
₦100	399.21	39.92	405.32	40.53	414.76	41.48	708.22	70.82	637.73	63.77
₦50	178.85	8.94	191.07	9.55	209.95	10.50	158.62	7.93	463.24	23.16
₦20	759.01	15.18	789.55	15.79	836.76	16.74	893.46	17.87	1,039.47	20.79
₦10	419.58	4.20	480.67	4.81	575.08	5.75	627.27	6.27	809.22	8.09
₦5	450.22	2.25	572.39	2.86	761.21	3.81	458.16	2.29	582.03	2.91
Sub-Total	**4,444.62**	**1,560.94**	**4,869.18**	**1,683.12**	**5,525.32**	**1,871.94**	**5,597.60**	**1,899.07**	**6,409.39**	**2,012.46**
Total	**6,761.72**	**1,562.55**	**7,186.27**	**1,684.72**	**7,842.42**	**1,873.54**	**7,914.70**	**1,900.67**	**8,726.49**	**2,014.06**

Source: CBN

2.4 Financial Sector Surveillance

2.4.1 Banking Supervision

The CBN sustained its supervision and surveillance of the banking system in the first half of 2019, to further strengthen the safety, soundness and stability of financial institutions. Activities of the Bank in this regard included regular off-site appraisal of banks' returns and periodic on-site examination (special investigations and spot checks) to ensure compliance with the provisions of extant laws, regulations and guidelines.

In the other financial institutions (OFIs) sub-sector, approval was granted for the constitution of the governance structure of the National Association of Microfinance Banks Uniform Information Technology (NAMBUIT) platform that would oversee the successful delivery of the Project mandates. Consequently, the governance structure, which comprised the Steering, Executive and Technical committees, was set-up and inaugurated.

The objective of the Project was to implement a unified IT platform for microfinance banks (MFBs), comprising core and agent banking solutions to:

- Automate the operations of all MFBs;
- Assist MFBs gain economies of scale, through bulk purchase benefits;
- Enable the CBN gain better visibility and surveillance on their operations to enhance its supervisory process;
- Enable integration of MFBs with the National Payments System; and
- Assist in operationalising BVN enrolment for the MFBs.

At end-June 2019, the consultant, Inlaks Computers, in collaboration with the Technical Committee, functioning as the Interim NAMBUIT Operating Centre (NOC), executed the following:

- A detailed statement of work, implementation plan, and initial selection of pilot MFBs, comprising 2 National, 10 State and 100 Unit MFBs. The number was later increased to 144 MFBs, consisting 2 National, 10 State and 132 Unit MFBs for the pilot phase;
- Set-up of NAMBUIT on the existing infrastructure and databases for implementation;
- Deployed the Solution for Core T24, Agency Banking, Interfaces and Channels, and Offline Banking Resilience;
- Conducted assessment of 144 MFBs for Data Mapping and on-boarding requirements;
- Prepared training manuals and materials for on boarding of MFBs and undertook data cleansing training for pilot MFBs, using Data Validator tool;
- Obtained approval for the allocation of an office space and equipment for the NOC Project Management within the premises of the CBN, Abuja Branch; and
- Commenced implementation and deployment with NPF MFB, and successfully on-boarded 41 MFBs on the NAMBUIT platform across the country.

In another development, a total subsidy package of ₦250.0 million was provided by the CBN as counterpart funding from the grant component of the Micro, Small and Medium Enterprises Development Fund (MSMEDF) to the National Association of Microfinance Banks (NAMB). The subsidy package was for the purchase of data capturing machines (DCM), to facilitate the enrolment of MFBs' customers for BVN. Also, the Bank disbursed a second tranche payment of ₦10.40 million (at ₦200,000 per DCM) for 52 DCMs to verified MFBs, through NAMB. In addition to the first tranche payment of ₦49.20 million for 246 DCMs, cumulative subsidy payment by the Bank amounted to ₦59.60 million for 298 DCMs. At end-June 2019, 453 out of 906 MFBs had submitted their BVN enrolment data to the CBN, indicating that only 1,756,950 or 19.8 per cent of 8,866,443 active customers had enrolled for the BVN.

Furthermore, during the review period, 542 candidates had completed Level II Certification examination administered by the Chartered Institute of Bankers of Nigeria (CIBN), resulting in a total of 6,332 certified candidates at end-June 2019, compared with 5,790 at end-December 2018.

In the mortgage sub-sector, the review of the Primary Mortgage Bank (PMB) Guidelines aimed at strengthening primary mortgage banks and complementing other on-going reforms in the sub-sector was completed in the first half of 2019. An exposure draft of the Guidelines was also issued on April 16, 2019 for input from stakeholders. In addition, the Uniform Underwriting Standards (UUS) for mortgage lending earlier adopted for the formal sector was approved for the informal sector and non-interest mortgages. The CBN also approved the establishment of Mortgage Interest Drawback Fund (MIDF), as an intervention fund, to deepen the mortgage and housing finance market.

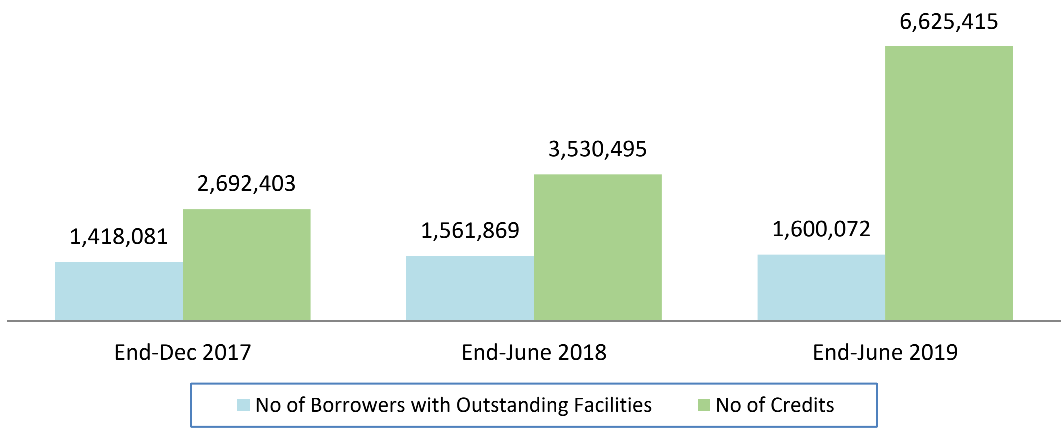
For capital relief and computation of CAR by the PMBs, the Bank: approved the assignment of a risk weight of 50.0 per cent to guaranteed legal mortgages; maintained the 75.0 per cent risk weight on non-guaranteed legal mortgages but set the Loan-to-Value (LTV) threshold at 70.0 per cent to replace the current 80.0 per cent; and retained the 100.0 per cent risk weight on equitable mortgages.

The Bank facilitated at the AML/CFT workshop for mortgage operators held in Lagos in March 2019. The Workshop was organised by the Mortgage Bankers Association of Nigeria (MBAN), in collaboration with the Nigeria Financial Intelligence Unit (NFIU). The Bank also developed and exposed a draft Risk-Based Cybersecurity Guidelines and Framework for OFIs to external stakeholders for input. The Bank also issued a circular in March 2019, requiring all OFIs using web-based mails for their official communication to create their own official e-mails within one month, and notify it accordingly. The circular, which was part of protective measures to guard against the risk of cyber-attacks that may arise from the use of web-based mails, such as Yahoo or Gmail, stipulated that only OFIs with corporate e-mails can make regulatory submissions and communicate with the Bank via e-mails, it had restricted all web-based e-mails from its domain. As part of efforts to build capacity, some staff of the Bank attended a workshop organised by NIBSS on the **"Fundamentals of e-Payment"** held at the CBN International Training Institute (ITI), Abuja in May 2019. The Programme also covered cybersecurity risk management.

The Bank continued with offsite Credit Risk Management System (CRMS) compliance status checks in line with the requirements of the Regulatory Guidelines for the Operation of the Redesigned CRMS for Commercial, Merchant and Non-Interest Banks. The Bank also kept on with the phased deployment of the redesigned CRMS to other financial institutions with a pilot run with DFIs. In addition, an interface was created for the Nigeria Deposit Insurance Corporation (NDIC) to manage credit records in respect of banks-in-liquidation. Similarly, the Bank commenced the re-validation of all eligible bank assets transferred to the Asset Management Corporation of Nigeria (AMCON) by banks with a view to adequately capturing them on the CRMS and granting the Corporation update rights on them.

Consequently, the patronage of the CRMS improved significantly in the review period. At end-June 2019, there were 1,600,072 borrowers with outstanding facilities, made up of 1,504,782 individuals and 95,290 corporates, compared with 1,079,141 and 1,561,869 borrowers on the data base, at end-December 2018 and end-June 2018, respectively. Also, the total number of credit facilities reported on the database rose to 6,625,415 at end-June 2019, compared with 4,973,036 and 3,530,495 at end-December 2018 and end-June 2018, respectively. The number comprised facilities granted to 6,061,303 individuals and 564,112 corporate borrowers.

Figure 21
Credit Risk Management System (CRMS) Statistics[1]
(End-June 2019)



Source: CBN

The three (3) private credit bureaux (PCBs) continued to complement the CRMS in credit administration and risk management in the industry.

2.4.2 Routine/Target Examination

The CBN/NDIC Joint Risk Asset Assessment (Target Examination) was conducted on all banks in the review period. The Exercise was carried out to ascertain the quality of banks' assets and the adequacy of loan loss-provisioning required for the approval of their 2018 annual financial statements. It also sought to determine the reasonableness of banks' reported profit for the 2018 financial year. It revealed a decline in the non-performing loans (NPLs) ratio and an increase in capital adequacy ratio (CAR), due to a decrease in risk weighted assets and the increase in total qualifying capital.

[1] Figures include borrower(s) with multiple loans and/or credit lines.

The industry average CAR, was above the regulatory minimum of 10.0 and 15.0 per cent for banks with national and international authorisations, respectively.

The annual target/follow up on-site monitoring of the AMCON was conducted in the review period. The report was awaiting Management's consideration. In addition, the Bank carried out monitoring/follow-up exercise on the implementation of major observations from the previous risk-based examination for banks with 'High' and 'Above Average' composite risk ratings.

2.4.3 Special/Foreign Exchange Examinations

The Bank conducted a review of foreign exchange operations of 27 banks (23 commercial and 4 merchant) in April 2019 to ascertain the level of compliance with extant foreign exchange regulations. The review covered foreign exchange activities for the period, April 1, 2018 to March 31, 2019. Major infractions observed included: non-repatriation of export proceeds within the stipulated time; dealing in high value foreign exchange transactions with multiple corporate customers yet to be on-boarded on the FMDQ Advised Trading and Surveillance System; and rendition of inaccurate returns. Others were non-compliance with approved net foreign currency trading position, lapses in foreign trade documentation and failure to comply with regulations. The affected institutions were penalised in line with extant regulation.

2.4.4 Banking Sector Soundness

The health of banks improved in the review period, following the sustained recovery in macroeconomic conditions, including declining inflation, stable exchange rate and gradual upswing in the real economy. Asset quality of the banking industry, measured by the ratio of non-performing loans to total loans (NPL ratio), improved to 9.4 per cent at end-June 2019, compared with 11.4 and 12.5 per cent at end-December 2018 and end-June 2018, respectively. At this level, the ratio, remained above the regulatory threshold of 5.0 per cent. The decrease in the NPL ratio reflected improvements in credit quality, driven by favourable macroeconomic conditions and increased compliance with prudential regulations. To further consolidate on the improvement, the CBN directed banks to intensify efforts at debt recovery, realise collateral for lost facilities and strengthen their risk management processes. Loan loss provision was 80.1 per cent at end-June 2019, compared with 102.8 per cent in the corresponding period of 2018.

At end-June 2019, the industry average capital adequacy ratio (CAR) remained at 15.3 per cent, same as the level at end-December 2018, compared with 12.1 per cent at end-June 2018. The development reflected the increase in banks' total qualifying capital and a decrease in risk weighted assets. The industry threshold, however, remained at 15.0 per cent for banks with international authorisation and 10.0 per cent for banks with either national or regional authorisation.

The industry liquidity ratio increased to 73.0 per cent at the end of the first half of 2019, from 46.1 per cent at end-June 2018, reflecting the rise in the stock of liquid assets held by banks. With the exception of two (2) commercial banks, all others met the minimum regulatory liquidity ratios of: 30.0 per cent for commercial banks; 20.0 per cent for merchant banks; and 10.0 per cent for non-interest banks, at end-June 2019.

2.4.5 Banks' Compliance with the Code of Corporate Governance

To ensure compliance, the CBN continued its oversight of the corporate governance regime in Nigerian banks in the review period. To that end, the Bank concluded the Corporate Governance Scorecard Assessment on twelve (12) banks. The objectives of the assessment included: establishing the level of compliance with the CBN Code of Corporate Governance, OECD Principles and the Global Best Practices by banks; enhancement of the reputation of Nigeria's banking industry; and enhance disclosure and transparency in the banking Industry.

2.4.6 Financial Crimes Surveillance/Anti- Money Laundering/Combating the Financing of Terrorism (AML/CFT)

The Bank conducted an AML/CFT risk management examination of all reporting banks in the first half of 2019. The exercise covered the period, April 1, 2018 to March 31, 2019. During the first quarter of 2019, the Bank conducted a pilot run of AML/CFT Risk Based Examination on three (3) banks. The pilot run was to enable the AML/CFT examiners explore the Offsite Risk Assessment Methodology (ORAM) tool, and come up with some learning points to guide onsite examiners and aid in the examination of all the banks in the industry on the risk-based approach (RBA). The Exercise provided useful feedback for the maiden risk-based AML/CFT examination.

Also, a maiden risk–based AML/CFT examination of twenty-seven (27) banks was conducted from April 8, 2019 to May 17, 2019, with a year coverage of April 1, 2018 to March 31, 2019. The RBA was conducted, using the International Monetary Fund's (IMF) ORAM tool. The Exercise exposed all banks to RBA, and enabled the CBN to prepare for the upcoming Mutual Evaluation exercise by GIABA and FATF in September 2019.

The examination focused on: identification and measurement of ML/FT inherent risks in banks' customers, products and services, delivery channels and geographical spread; review of relevant policies, procedures, risk assessments, management information; internal audit and compliance reports; interviews with key senior staff, including the Money Laundering Reporting Officers, on-site walk-throughs of key AML/CFT and banking processes; among others.

Certain deficiencies and issues identified from the examination included:

- Lack of ML/FT Risk Assessment Framework and comprehensive ML/FT risk profile, to include enterprise ML/TF Risk Assessment Matrix for periodic review and regular assessment of ML/TF risks;
- Failure to identify ML/FT risk in Enterprise Risk Management Framework;
- Failure to include AML/CFT reviews in annual monitoring and internal audit plans;
- Deficiencies in the politically-exposed persons ("PEPs") on-boarding process, including initial screening, the timing of senior management approval and the failure to sufficiently identify, verify and document Sources of Funds ("SOF") and Sources of Wealth ("SOW");
- Non-adherence to stated AML/CFT policies; and

- Failure to ensure the provision of appropriate and comprehensive AML/CFT training to board and committee members, as well as, enhanced training for staff in key AML/CFT and specific roles. In addition, there was general absence of function - specific AML/CFT training to enable staff perform their roles effectively, to mitigate ML/FT risks.

Consequently, the banks were assessed and rated with overall AML/CFT ratings of "Above Average", "Medium" and "Low" risks based on their structural risks, inherent risks, and risk mitigants. There was no record of an ML/FT high risk bank in Nigeria. Penalties were imposed on the banks for various infractions identified during the examination.

2.4.7 Cross-Border Activities

The number of foreign subsidiaries of Nigerian banks remained at 58 in the first half of 2019. The number of representative offices, affiliates and international branches of Nigerian banks were five (5), one (1) and two (2), respectively, bringing the total number of offshore entities to 66 at end-June 2019, as approval was granted for the closure of a representative office of a bank.

In collaboration with host supervisors, a joint examination of two (2) offshore subsidiaries of UBA in Guinea and Sierra Leone was carried out in the first half of 2019. The examination revealed that the subsidiary in Guinea had composite risk rating of 'High'. The subsidiary was required to take appropriate remedies to address the concerns. Staff of the CBN attended the conference of the Community of African Banking Supervisors (CABS), held in Cape Town, South Africa from June 25 -26, 2019, and the annual conference, which held in Egypt from June 10 – 11, 2019.

In addition, staff of the Bank attended the 32nd and 33rd meetings of the College of Supervisors of the West African Monetary Zone (CSWAMZ) during the review period. The meetings reviewed developments in the banking system across the Zone. Discussions were also held on the implementation of IFRS/IFRS 9, Basel I, II and III, Integrated Regulatory Solution (IRS) and other relevant issues concerning financial system stability in the sub-region in line with the mandate of the College.

Furthermore, the Bank hosted a team of examiners from the Bank of Uganda on an Anti-Money Laundering Attachment Programme, to strengthen collaboration for capacity building in the area of AML Inspection.

2.4.8 Update on Basel II/III Implementation

The Bank continued to monitor the implementation of Basel II/III standards. Accordingly:

- The Guidelines for Credit Concentration Risk, and Interest Rate Risk in the Banking Book (IRRBB), Business & Strategy Risk, Reputation Risk and Stress Testing were concluded and issued in March 2019. All the guidelines were to be implemented immediately, while IRRBB would come into effect from January 2020;

- The B2 implementation team held interactive sessions with the Other Financial Institutions Department (OFISD) in the quest to implement Basel II/III in the OFI sub-sector for the systemically-important other financial institutions (SIOFIs);

- The Bank prepared draft guidelines on Liquidity Standards, Liquidity Coverage Ratio and liquidity monitoring tools, and leverage ratio, to complement Pillar 1 risks assessment and large exposure measure to strengthen concentration risk management in banks. Other draft guidelines were, Liquidity Risk Management and Internal Liquidity Adequacy Assessment Process (ILAAP) and Regulatory Capital definition. The IMF provided technical assistance for the review of the guidelines;

- The Bank prepared a draft questionnaire on the state of readiness of banks for some of the proposed guidelines and to conduct a Quantitative Impact Study (QIS) on the potential impact of the guidelines on banks; and

- The off-site review of the ICAAPs of banks with a CRR of "High" and "Above Average" was concluded in readiness for the On-site engagement, to ensure that the findings from the Supervisory Review Evaluation Process (SREP) ultimately feed into the overall risk assessment of each bank.

2.4.9 Fraud and Forgery

During the first half of 2019, there were 29,215 reported cases of fraud and forgeries (both attempted and successful), representing an increase of 40.7 per cent over the 20,768 cases recorded in the first half of 2018. The value of attempted and successful cases, however, declined by 57.8 per cent to ₦8.35 billion in the first half of 2019, from ₦19.77 billion in the corresponding period of 2018.

The actual loss due to fraud and forgeries for the first half of 2019 was ₦2.38 billion. This represented a decrease of 80.3 per cent below ₦12.06 billion, incurred in the first half of 2018.

As in the previous half-year, the fraud and forgeries reported during the period under review were majorly perpetrated by outsiders (non-bank staff). The types of frauds were: pilfering of cash; suppression and conversion of customer's deposits; stealing; illegal funds transfer; defalcation; and fraudulent ATM withdrawals.

2.4.10 Consumer Protection

The Bank received 1,528 complaints from consumers of financial services in the first half of 2019, compared with 1,439 in the corresponding period of 2018. Of this number, 1,476 complaints or 96.6 per cent were against banks, while 52 complaints or 3.4 per cent were against other financial institutions (OFIs). The complaints were, mainly, in respect of excess charges, frauds, dishonoured guarantees and unauthorised deductions/transfers, among others. A total of 1,548 complaints, including those outstanding from 2018, were resolved in the review period, compared with 2,451 complaints in the corresponding period of 2018.

Total claims in the review period in local and foreign currencies amounted to ₦8.70 billion and US$315,475.54, compared with ₦20.50 billion, US$163,479.00,

£2,889.98 and €32.82 in the corresponding period of 2018. The sum of ₦7.2 billion and US$315,229.02 were refunded, compared with ₦6.80 billion, US$119,349, £2,889.98 and €32.82 refunded in the corresponding period of 2018.

Compliance examination was conducted on 20 banks in the first half of 2019, to ascertain their level of compliance with consumer protection regulations, particularly, the Guide to Charges by Banks and Other Financial Institutions (GCBOFI). The exercise revealed 100.0 per cent compliance in the area of facility enhancement fee. Compliance levels in other areas were: management fee (95%); restructuring fee (85%); deposit held as collateral (70%); commitment fee (65%); compliance with previous directive (81%); and outstanding complaints (38.4%). Overall, the examination revealed improvement in the level compliance level in most areas. The CBN directed banks to implement specific remedial action, in areas of non-compliance, including refunds to customers.

As part of effort to further improve market conduct, the Bank developed and exposed the Guidelines on Complaints Handling and Redress, Fair Treatment, Disclosure and Transparency and Responsible Business Conduct to stakeholders in the review period.

In a related development, the CBN was admitted into the International Financial Consumer Protection Organisation (FINCONET) to deepen consumer protection and conduct supervision in Nigeria. FINCONET is an international organisation of supervisory authorities with the responsibility of ensuring financial consumer protection.

2.4.11 Financial Literacy

The Bank, in collaboration with the German Agency for International Development (GIZ) and other stakeholders, commenced the development and implementation process of the financial literacy e-learning portal in the review period. The project was aimed at deploying a fully digital national e-Learning platform to provide a knowledge base and support financial education trainers/facilitators/multipliers as a collective effort to enhance financial literacy in Nigeria. A Vendor was selected to deliver on the Project and the financial literacy e-Learning platform was expected to go live by first quarter of 2020.

Following the National Financial Literacy Stakeholders Conference held in January 2019, the Bank engaged with relevant stockholders to discuss and collaborate on ways to effectively implement the decisions taken at the Conference, as contained in the communiqué. The stakeholders were the Nigeria Deposit Insurance Corporation (NDIC), the Securities and Exchange Commission (SEC) and the Nigerian Stock Exchange (NSE).

The Bank, in conjunction with other stakeholders, coordinated activities to commemorate the 2019 Global Money Week. The event, with the theme "**Learn, Earn and Save**", was marked with a global money walk in Abuja and a school outreach/mentoring programme in Abuja, and the 36 states of the Federation. A total of 138,163 children were reached during the Programme. The Bank also partnered with Enhancing Financial Inclusion and Access (EFInA) in Gombe and Kano states on the school mentoring programme and media engagement.

As part of the efforts to introduce financial literacy into the formal school system, the Bank, in collaboration with the Nigeria Educational Research and Development Council (NERDC), continued the project of mainstreaming Financial Education (FE) into the Nigerian curricula at basic and senior secondary levels. This was done by implementing the monitoring and administration of instruments for pilot testing of the financial education curriculum in Katsina State- one of the two nominated states, where the pilot scheme was conducted. The pilot test covered selected primary and secondary schools in the State.

Other activities by the Bank, in furtherance of the financial literacy objectives, included:

- Sensitisation activities during CBN fairs and trade fairs;
- Sensitisation activities for faith-based organisations; and

- The launch of the Consumer Protection Newsletter.

2.4.12 Examination of Other Financial Institutions

The Bank conducted routine and special examination of 437 other financial institutions (OFIs) in the first half of 2019. The examination covered Risk-Based Supervision (RBS) of five (5) development finance institutions (DFIs), income audit of nine (9) PMBs and two (2) finance companies (FCs), target examination of 345 MFBs and 12 Bureaux-De-Change (BDCs), RBS and Income Audit of 12 MFBs, as well as, AML/CFT examination, using the Risk-Based Approach for 29 MFBs and 23 PMBs.

The examination report of the seven (7) licensed DFIs[2], revealed that the Composite Risk Rating for four (4) institutions was "High", one (1), "Above Average", one (1), "Moderate" and one (1), "Low". Similarly, examination of 386 MFBs was conducted in the review period, compared with 224 MFBs in the corresponding period of 2018. The excercise also covered RBS examination and income audit of 12 MFBs designated as Systemically-Important Other Financial Institutions (SIOFIs) and special examination of 374 MFBs. Highlights of the RBS examination of the 12 MFBs revealed that the capital ratings for seven (7) were "Strong", four (4), "Acceptable", and one (1), "Needs Improvement". Earnings ratings for the institutions indicated nine (9) were "Acceptable", two (2), "Needs Improvement" and one (1), "Weak", while the composite risk ratings for five (5) MFB were "Moderate", four (4) "Above Average" and three (3) "High".

The special examination report of the 345 MFBs showed that: 234 MFBs met the required 20.0 per cent minimum liquidity ratio; 96 MFBs met the required minimum capital adequacy ratio of 10.0 per cent; and 5 MFBs satisfied the 5.0 per cent stipulated maximum for portfolio-at-risk. The report further revealed: absence of capital management plans and weak strategic objectives; high incidence of non-performing credit (above PAR of 5%); high operating costs; inadequate capitalisation; poor corporate governance; and weak risk

[2] The RBS Examination of BOA and NMRC were conducted in 2018 and the ratings were adopted in this analysis.

management practices. Consequently, regulatory directives were issued to the affected MFBs to immediately take definitive measures to meet required thresholds.

In addition, the income audit examination reports revealed that:

- The identified SIOFIs, in collaboration with their external auditors adopted models for recognition, measurement and disclosure of income, as required by the IFRS 9;
- Further collaboration was required by the Bank and the external auditors to build competencies for staff of the MFBs in recognising and making adequate impairments for their Expected Credit Losses (ECL) models; and
- There was the urgent need to review the current 5 per cent Pass and Watch regulatory provision in view of the "90 days past due" rebuttable presumption for ECL under the IFRS 9.

The Bank also conducted income audit of nine (9) PMBs during the review period. The examination report indicated the following regulatory/supervisory challenges: high credit concentration risk; inadequate capitalisation below the regulatory minimum of ₦2.5 billion or ₦5.0 billion for institutions with either State or National authorisation, respectively; increase in personnel costs and impairment charges; and deterioration in risk asset quality.

The average CAR of the sub-sector increased from 18.4 per cent at end-December 2018 to 41.0 per cent at end-June 2019. The asset quality of the industry further deteriorated, as the average non-performing loan ratio, generally, exceeded the regulatory maximum of 30.0 per cent. However, the sub-sector recorded an increase in the average liquidity ratio to 98.4 per cent at end-June 2019, from 46.1 per cent at end-December 2018. There were five critically illiquid PMBs with average liquidity ratio of 9.9 per cent. In all, seven (7) PMBs failed to meet the minimum liquidity ratio benchmark of 20.0 per cent at end-June 2019, compared with eight (8) at end-June 2018. However, liquidity ratio maintained by the institutions were generally above the 20.0 per cent regulatory minimum, signifying low liquidity risks.

Special examination of two (2) FCs was conducted in the review period. The examination covered income audit of the institutions designated as SIOFIs, to determine the authenticity of their reported incomes in compliance with the IFRS 9 disclosure requirements. The exercise facilitated the issuance of "No Objection" for the publication of the financial statements of the institutions for the year ended December 31, 2018.

Examination reports[3] of 53 FCs conducted in the last quarter of 2018 highlighted the following challenges in the sub-sector: high NPL Ratio due to poor asset quality arising from non-performing credit facilities and poor collateral cover; inability of FCs to raise cheap funds as they are not permitted to accept deposits and their borrowings are not insured; dominance of owner/managers with attendant corporate governance issues; inability of many FCs to acquire and adopt appropriate IT platforms to cope with Fintech innovations. Other challenges included: difficulty in pursuing mergers and acquisitions due to non-homogenous products, control and lack of trust among equity holders; data integrity as many FCs do not report their activities correctly either deliberately or as a result of skills gap; and competition from banks and other financial institutions (OFIs). Supervisory Letters were issued to the affected institutions, with recommendations for observed infractions and time lines to ensure compliance.

In addition, the Bank conducted a special examination, involving spot checks on 12 BDCs in May 2019, following intelligence reports of their alleged involvement in forex malpractices. The exercise revealed breaches of the Revised BDC Guidelines and other relevant regulations such as dealing in wholesale transactions, poor record-keeping and documentation of forex purchases and sales, as well as, non-rendition of AML/CFT returns to the relevant authorities.

2.5 Foreign Exchange Market and Management

In the first half of 2019, the Bank sustained its intervention in the foreign exchange market, aimed at enhancing the stability of the naira exchange

[3] The examination reports were analysed during the review period.

rate to engender a stable macroeconomic environment. On March 5, 2019 and June 3, 2019, the Bank added textile and palm oil, respectively, to the list of items not valid for foreign exchange at the official window, which brought the total number of items to 44.

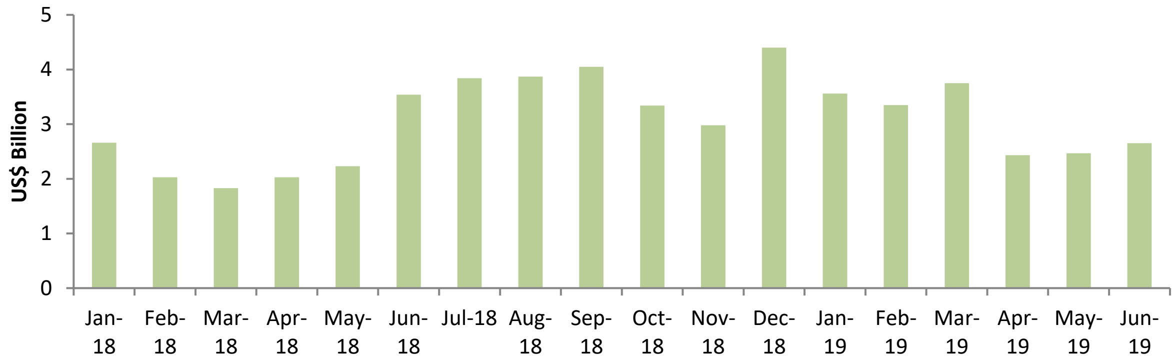
2.5.1 Spot Transaction in the Foreign Exchange Market

The aggregate foreign exchange supplied by the Bank to the inter-bank and BDC segments amounted to US$0.81 billion and US$6.86 billion, respectively, in the review period, compared with US$3.20 billion and US$3.17 billion, in the corresponding period of 2018. This indicated a decrease of 70.2 per cent in total sales to the inter-bank, but an increase of 116.4 per cent to the BDC segment, relative to the levels in the corresponding period of 2018. In addition, foreign exchange sales under the Secondary Market Intervention Scheme (SMIS), and Small and Medium Enterprises (SME) amounted to US$3.22 billion and US$0.63 billion, respectively. The Bank also supplied US$1.08 billion at the I&E window to enhance liquidity and stability in the market.

2.5.2 Forwards and Swaps Transactions

In the first half of 2019, the value of forwards contracts disbursed at maturity for inter-bank and wholesale were US$1.47 billion and US$1.91 billion, respectively. The Bank undertook swaps transactions valued at US$2.01 billion, compared with US$2.25 billion and US$2.33 billion in the first and second halves of 2018, respectively.

Figure 22
Supply of Foreign Exchange
(US$' Billion)



Source: CBN

2.5.3 Exchange Rate Movements

The exchange rate of the naira to the US dollar in the first half of 2019 remained relatively stable at the inter-bank and BDC segments of the foreign exchange market. The development was attributed, largely to increased intervention by the Central Bank, which enhanced liquidity and dampened demand pressure.

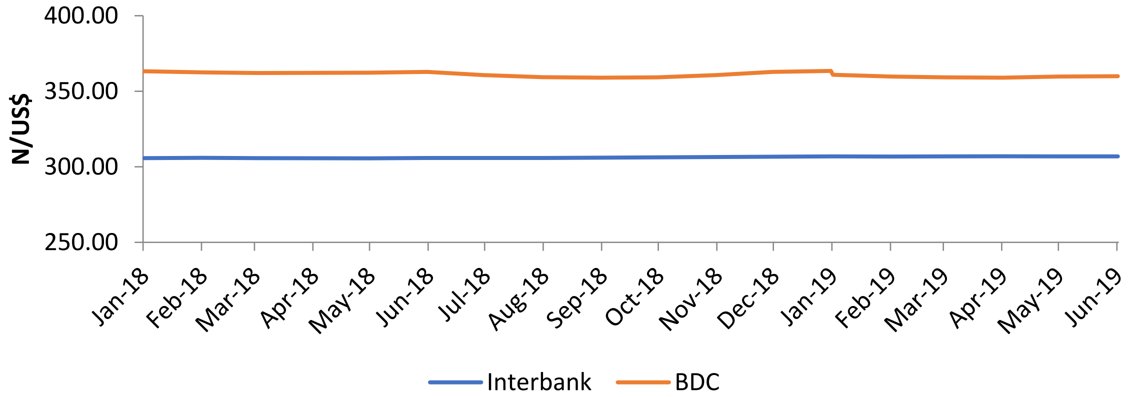
2.5.3.1 Spot Exchange Rates

The average exchange rate of the naira to the US dollar at the inter-bank segment was ₦306.90/US$, a depreciation of 0.2 and 0.4 per cent, below the levels in the preceding and the corresponding period of 2018, respectively. At the BDC segment, the average exchange rate of the naira appreciated by 0.3 and 0.7 per cent to ₦359.77/US$, above the respective levels in the preceding and corresponding period of 2018. At the I&E window, the average exchange rate was ₦361.33/US$, representing an appreciation of 0.6 per cent, above the level in the preceding period, but a depreciation of 0.2 per cent, relative to the level in the corresponding period of 2018. Consequently, the premium between the average inter-bank and BDC rates narrowed to 17.2 per cent during the review period, from 18.5 per cent in the first half of 2018. Similarly, the premium between the average I&E and the BDC rates narrowed to 0.4 per cent in the first half of 2019, from 0.5 per cent in the corresponding period of 2018.

The end-period exchange rate of the naira to the US dollar at the inter-bank segment closed at ₦306.90/US$ at end-June 2019, compared with

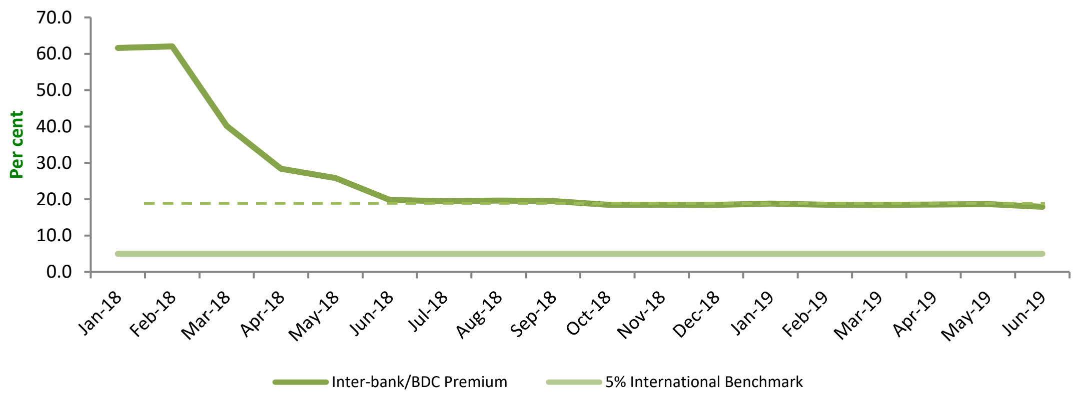
₦307.00/US$ at end-December 2018 and ₦305.75/US$ at end-June 2018. At the BDC segment, the naira closed at ₦360.00/US$, relative to ₦361.00/US$ at end-December 2018 and ₦360.50/US$ at end-June 2018. At the I&E window, the exchange rate closed at ₦360.74/US$ at end-June 2019, compared with ₦364.00/US$ at end-December 2018 and ₦361.32/US$ at end-June 2018.

Figure 23
Exchange Rate Movements
(First Half 2018 – First Half 2019)
(₦/US$)



Source: CBN

Figure 24
Inter-bank/Bureau-de-Change Foreign Exchange (₦/US$) Premium
(Per cent)



Source: CBN

2.5.4 Foreign Exchange Flows

Aggregate foreign exchange inflow into the economy in the first half of 2019 amounted to US$67.34 billion, representing an increase of 17.2 and 2.3 per cent above the levels in the second and first halves of 2018, respectively. Of the total, inflow through autonomous sources accounted for 54.2 per cent, while inflow through the CBN accounted for 45.8 per cent. Foreign exchange inflow through autonomous sources was US$36.52 billion in the first half of 2019, indicating an increase of 27.2 and 3.5 per cent, relative to the respective levels in the second and first halves of 2018. The development was attributed to 27.5 and 24.6 per cent increase in non-oil export receipts and invisible purchases, respectively.

A disaggregation of the inflow through autonomous sources showed that: invisible purchases amounted to US$33.77 billion; non-oil export receipts, US$2.66 billion; and external account purchases, US$0.10 billion. Of the total invisible purchases, ordinary domiciliary accounts and over-the-counter (OTC) purchase were US$7.69 billion and US$26.08 billion, respectively. A disaggregation of the OTC purchases showed that: capital importation amounted to US$14.59 billion; purchases by banks from oil companies, US$0.86 billion; home remittances, US$0.69 billion; and other OTC purchases, US$9.93 billion.

Foreign exchange inflow through the CBN was US$30.82 billion, indicating an increase of 7.3 and 1.0 per cent, over their respective levels in the preceding and corresponding periods of 2018. A breakdown of foreign exchange inflow through the Bank showed that crude oil receipts amounted to US$7.02 billion, a decline of 11.4 and 1.1 per cent, below the levels in the preceding and corresponding period of 2018, respectively. However, non-oil receipts through the Bank rose by 14.4 and 1.7 per cent to US$23.80 billion, above the levels in the preceding and corresponding periods of 2018, respectively. The development was attributed, mainly, to increase in foreign exchange purchases at US$9.50 billion; banks cash receipts, US$4.72 billion; and other official receipts, US$2.85 billion. Others were unutilised funds from foreign exchange transactions, US$1.13 billion; returned payments (wired/cash), US$0.64 billion; and interest on reserves and investments, US$0.57 billion. A further analysis of non-oil inflow showed decline in inter-bank swaps, at US$1.73

billion; TSA and third-party receipts, US$1.97 billion; and unutilised IMTO receipts, US$0.70 billion.

Aggregate foreign exchange outflow from the economy declined by 14.6 per cent to US$30.74 billion, below the level in the second half of 2018, but higher by 23.3 per cent compared with the level in the corresponding period of 2018. Aggregate outflow from autonomous sources, at US$1.89 billion, fell by 27.2 and 4.8 per cent, relative to their respective levels in the second and first halves of 2018. This was driven, largely, by invisible import at US$1.19 billion, while visible import amounted to US$0.70 billion, representing 63.1 and 36.9 per cent, respectively. Foreign exchange outflow through the CBN was US$28.85 billion, indicating a decrease of 13.6 per cent below the level in the second half of 2018, but an increase of 25.7 per cent compared with the level in the first half of 2018.

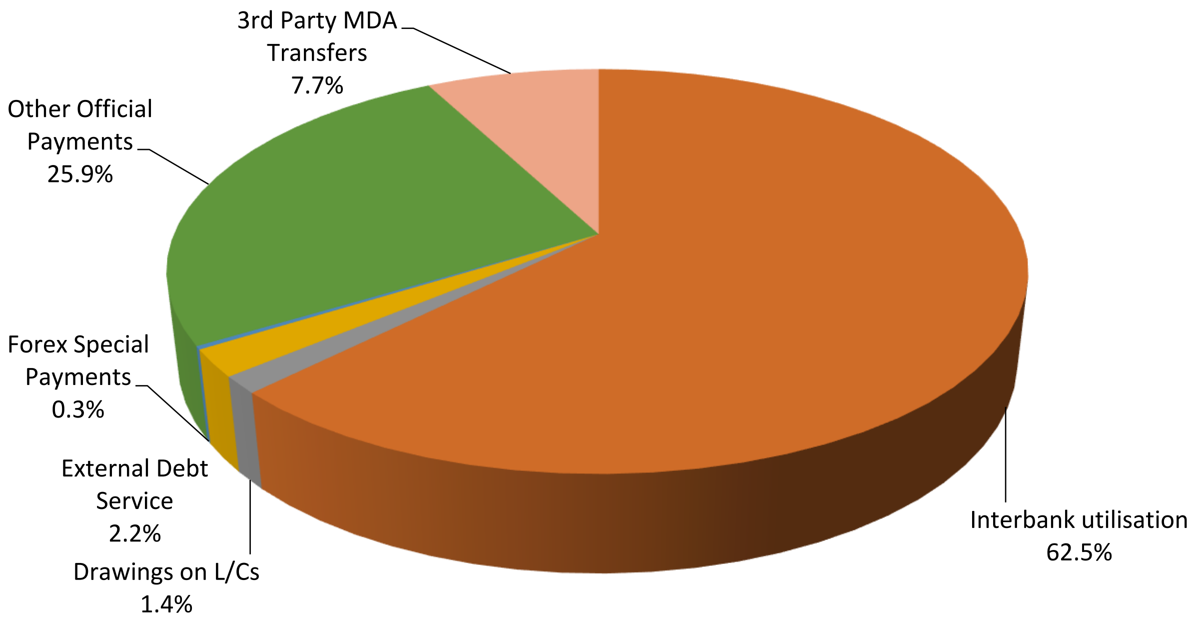
A disaggregation of the total outflow through the Bank indicated 16.6 and 80.9 per cent increase in inter-bank utilisation at US$18.04 billion and "other" official payments, at US$7.48 billion, respectively. Other sources of outflow were: third party MDAs transfer, US$2.23 billion; external debt service, US$0.62 billion; drawings on letters of credit (L/Cs), US$0.39 billion; foreign exchange special payment, US$0.08 billion; and others, the balance.

Foreign exchange market utilisation comprised: inter-bank forwards, US$1.47 billion (8.2%); inter-bank sales, US$0.81 billion (4.5%); BDC sales, US$6.86 billion (38.0%); and swaps, US$2.07 billion (11.5%). Others included foreign exchange sales at I&E window, US$1.08 billion (6.0%); SMIS intervention, US$3.22 billion (17.8%); and wholesale forwards, US$1.91 billion (10.6%).

Outflow in respect of 'Other' official payments amounted to US$7.48 billion, indicating increase of 24.9 and 80.9 per cent above the respective levels in the preceding and corresponding period of 2018. This comprised: Joint Venture Companies (JVC) cash calls, US$2.06 billion; estacodes, US$0.03 billion; and miscellaneous, US$5.39 billion.

Figure 25
Foreign Exchange Disbursements through the CBN

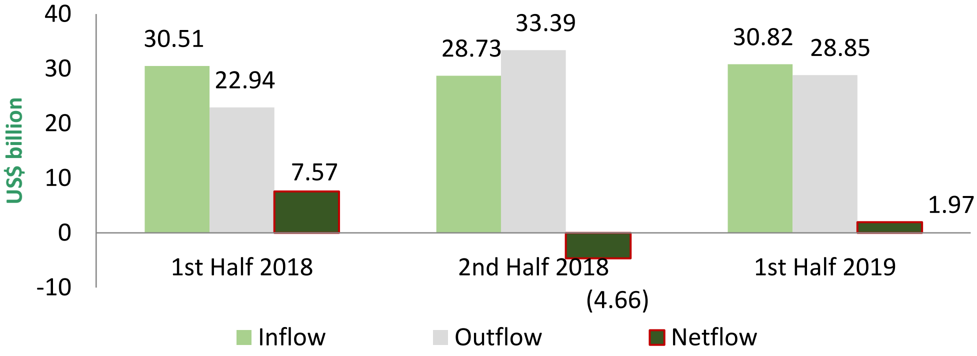
(First Half 2019)



Source: CBN

Aggregate foreign exchange flows through the Bank recorded a net inflow of US$1.97 billion in the first half of 2019, as against a net outflow of US$4.46 billion in the second half of 2018, and net inflow of US$7.72 billion in the first half of 2018. Foreign exchange transactions through autonomous sources recorded a net inflow of US$34.63 billion in the review period, compared with US$26.12 billion and US$33.25 billion in the preceding and corresponding periods of 2018, respectively. Foreign exchange flow, through the economy, resulted in a net inflow of US$36.61 billion, relative to US$21.47 billion and US$40.97 billion, in the second and first halves of 2018, respectively. This showed an increase in net flow of 70.9 per cent in the first half of 2019, but a decrease of 10.7 per cent, compared with the corresponding period of 2018.

Figure 26
Foreign Exchange Transactions through the CBN
(First Half 2019, US$' Billion)



Source: CBN

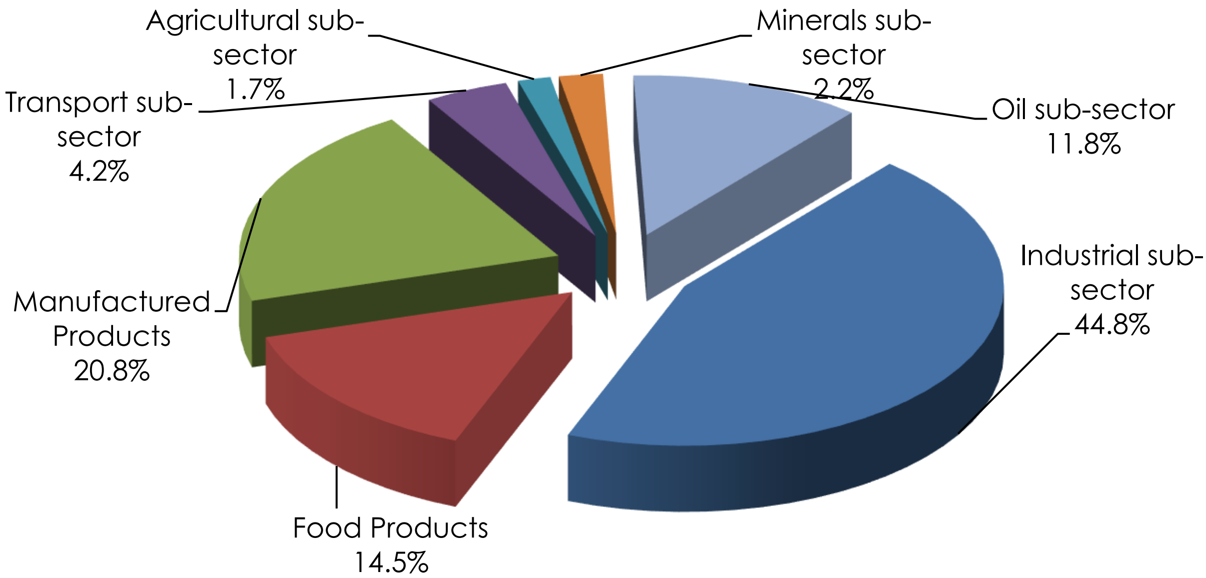
2.5.5. Sectoral Utilisation of Foreign Exchange

Aggregate sectoral utilisation of foreign exchange in the first half of 2019 was US$17.99 billion, representing a decrease of 22.4 per cent, compared with the level in the preceding period, but an increase of 1.9 per cent above the level in the corresponding period of 2018. A disaggregation showed that, visible import fell by 16.5 and 8.9 per cent to US$6.92 billion, relative to the levels in the second and first halves of 2018. Similarly, invisible transactions fell by 25.7 per cent to US$11.07 billion, compared with the level in the second half of 2018, but increased by 10.1 per cent, above the level in the corresponding period of 2018. Of the total utilisation, visible import accounted for 38.5 per cent of the total, while invisible import was 61.5 per cent.

Further analysis of foreign exchange utilised for visible import indicated that the industrial sector import at US$3.10 billion decreased by 20.8 and 6.6 per cent, below the levels in the preceding and corresponding periods of 2018, respectively. Similarly, amount utilised for food products, manufactured products, agricultural and oil sectors declined by 5.4, 22.8, 11.8 and 9.3 per cent to US$1.00 billion, US$1.44 billion, US$0.11 billion and US$0.81 billion, below their respective levels in the corresponding period of 2018. However, utilisation for transportation and mineral sectors rose by 16.0 and 129.4 per cent to US$0.29 billion and US$0.15 billion, respectively.

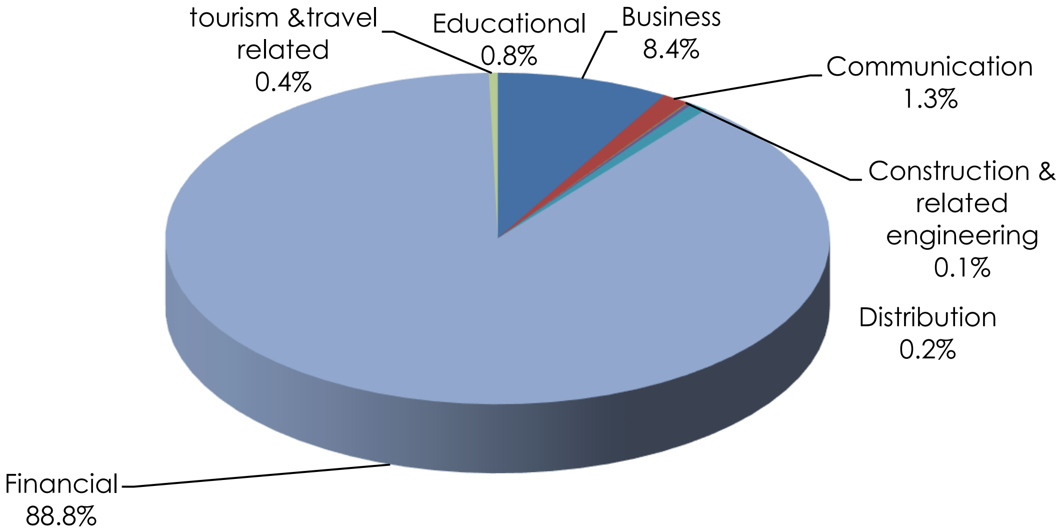
A breakdown of foreign exchange utilised for invisibles showed that financial services, communication, tourism and travel, construction and engineering related, as well as, distribution services increased to US$9.39 billion, US$0.14 billion, US$0.05 billion, US$0.006 billion and US$0.02 billion, compared with the levels in the corresponding period of 2018, respectively. However, education, transport and other services (n.i.e.) declined by 68.9, 71.5, 42.2 and 36.4 per cent to US$0.09 billion, US$0.41 billion, and US$0.08 billion, respectively, compared with the levels in the first half of 2018. Others constituted the balance.

Figure 27
Sectoral Utilisation of Foreign Exchange (Visibles)
(First Half 2019)



Source: CBN

Figure 28
Sectoral Utilisation of Foreign Exchange (Invisibles)
(First Half 2019)

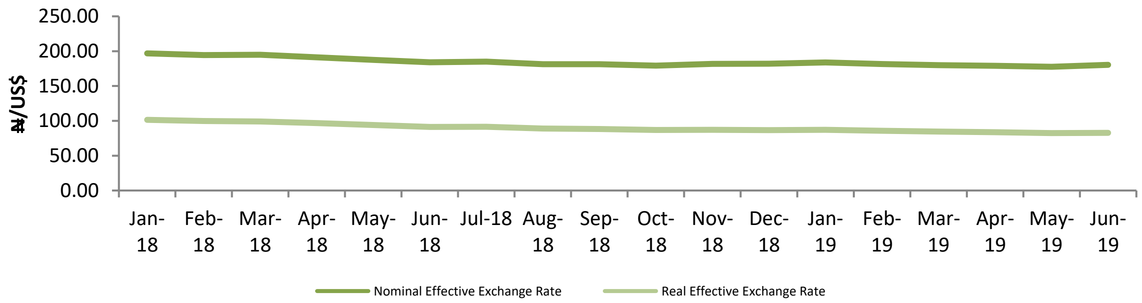


Source: CBN

2.5.6 Nominal Effective Exchange Rate (NEER) and Real Effective Exchange Rate (REER) Indices

Provisional data for the average 19-currency Nominal Effective Exchange Rate (NEER) index in the review period was 180.38, indicating a decrease of 0.7 and 5.8 per cent, relative to the levels in the second and first halves of 2018, respectively. The average Real Effective Exchange Rate (REER) index, which measures external competitiveness of a country, was 84.71, representing a decline of 4.0 and 12.8 per cent, below the levels in the preceding and corresponding periods of 2018.

Figure 29
Nominal Effective Exchange Rate (NEER) and Real Effective Exchange Rate (REER) January 2018 – June 2019



Source: CBN

Table 6
Nominal and the Real Effective Exchange Rate Indices (November 2009=100)

	Nominal Effective Exchange Rate (NEER)	Real Effective Exchange Rate (REER)
	2018	
Jan	196.82	101.42
Feb	194.48	99.75
Mar	194.86	99.13
Apr	191.14	96.68
May	187.45	93.97
Jun	184.14	91.36
1st Half 2018	**191.48**	**97.05**
Jul	184.94	91.43
Aug	181.18	88.84
Sep	181.32	88.28
Oct	179.17	86.84
Nov	181.63	87.21
Dec	181.98	86.67
2nd Half 2018	**181.70**	**88.21**
	2019	
Jan	183.86	87.11
Feb	181.52	85.77
Mar	179.85	84.58
Apr	179.08	83.71
May	177.57	82.19
1st Half 2019	**180.38**	**84.67**

Source: CBN

2.6 Development Finance Operations
2.6.1 Real Sector Interventions
2.6.1.1 Credit Support Schemes
2.6.1.1.1 Commercial Agricultural Credit Scheme (CACS)

The Scheme was established to fast-track the development of the agricultural sector by providing credit facilities to commercial agricultural enterprises at single digit interest rate and promoting low food inflation. It, also, has a non-interest component that aligns with the principles of islamic finance.

A total of ₦4.84 billion was disbursed to five (5) banks for six (6) projects under the Scheme in the first half of 2019, compared with ₦39.34 billion disbursed to eight (8) banks for sixteen (16) projects in the first half of 2018. Cummulative disbursements from inception in 2009 to end-June 2019 stood at ₦608.13 billion for 588 projects. State government projects accounted for ₦329.27 billion (54.1%), while private sector projects recieved ₦ 278.86 billion (45.9%).

Aggregate repayments during the first half of 2019 stood at ₦23.91 billion through thirteen (13) banks in respect of 139 projects, compared with ₦17.01 billion repaid through fourteen (14) banks in respect of 51 projects in the same period of 2018. This brought cumulative repayment from inception to end-June 2019 to ₦349.99 billion.

2.6.1.1.2 Paddy Aggregation Scheme (PAS)

The Paddy Aggregation Scheme was a short-term bridging facility introduced in 2017 to enable rice millers purchase paddy for all-year processing. The sum of ₦35.20 billion was released to seven (7) banks for twelve (12) projects in the first half of 2019, compared with ₦4.25 billion released to three (3) banks for three (3) projects in the corresponding period of 2018. This brought total disbursement to ₦88.83 billion for 25 projects, at end-June 2019.

The sum of ₦1.5 billion was repaid in the review period, compared with ₦13.37 billion in the first half of 2018. Cumulative repayment from inception to end-June 2019 was ₦34.63 billion.

2.6.1.1.3 Anchor Borrowers' Programme (ABP)

The ABP was designed to finance smallholder farmers and create an economic linkage between them and commodity processors/millers. This was with a view to increasing farm production and enhancing capacity utilisation in agro-processing industry.

In the first half of 2019, ₦26.67 billion was disbursed to 237,967 smallholder farmers, compared with ₦36.37 billion disbursed to 155,732 farmers in the corresponding period of 2018. This represented a decrease of 36.4 per cent in amount disbursed, but an increase of 52.8 per cent in the number of smallholder farmers under the Programme. Furthermore, area under cultivation increased from 155,732 hectares in the first half of 2018 to 259,086 hectares in the review period, representing an increase of 66.4 per cent. Products financed included: cassava, cotton, maize, rice, soya bean, tomato, wheat, poultry, cattle and fish. From inception to end-June 2019, ₦201.97 billion had been disbursed through nineteen (19) Participating Financial Institutions (PFIs) to 1,140,854 farmers, involved in seventeen (17) crops, livestock and fishery activities. In addition, a total of 255 private and fourteen (14) state government anchors had participated from inception in 2015 to end-June 2019.

The amount repaid during the review period was ₦2.89 billion, representing an increase of 84.1 per cent above ₦1.57 billion in the same period of 2018. This resulted in aggregate repayment of ₦14.68 billion from inception to end-June 2019. The ABP has created over 2.5 million direct and indirect jobs, promoted the establishment of new and expansion of existing rice mills, and also contributed to reduction in food import bill.

2.6.1.1.4 Accelerated Agriculture Development Scheme (AADS)

The Scheme was launched in 2018 as an off-shoot of the ABP with the major objective of encouraging youths to actively engage in agricultural activities. It was jointly implemented with state governments, with a target to productively engage at least 10,000 youths in each state. It commenced operation in the first half of 2019, with ₦1.37 billion disbursed to one state government-owned poultry project.

2.6.1.1.5 Micro, Small and Medium Enterprises Development Fund (MSMEDF)

The Fund serves to channel affordable credit to MSMEs, especially, women entrepreneurs, to create jobs and enhance productivity.

In the first half of 2019, ₦625.55 million was disbursed for 1,103 projects, compared with ₦4.77 billion for 14,492 projects in the same period in 2018. This showed decrease of 92.4 and 661.7 per cent in value and number, respectively. Cumulative disbursement from inception in 2013 to end-June 2019 was ₦85.70 billion for 216,989 projects. Of this amount, state governments accessed ₦58.23 billion (67.9%), while MSMEs (private sector) collectively accessed ₦27.47 billion (32.1%). Repayments during the review period amounted to ₦3.63 billion, bringing total repayment from inception to ₦30.19 billion, at end-June 2019.

Table 7

Summary of MSMEDF Disbursement and Repayment

Activity	From inception to Dec. 31, 2018 (₦' billion)	Jan – June 2019 (₦' billion)	Cumulative as at June 2019 (₦' billion)
Disbursement to MSMEs	27.47	0.01	27.47
Disbursement to State Governments	57.61	0.62	58.23
Total Disbursement	**85.08**	**0.63**	**85.70**
Undisbursed Funds	0.00	0.00	0.00
Repayment Received	**26.57**	**3.63**	**30.19**

Source: CBN

2.6.1.1.6 Agri-business/ Small and Medium Enterprises Investment Scheme (AGSMEIS)

The Bankers' Committee established AGSMEIS in 2017 to support the Federal Government's efforts at promoting agricultural businesses towards generating employment. Commercial and merchant banks contributed 5.0 per cent of their profit after tax, annually, to fund the Scheme. In the first half of 2019, ₦1.29 billion was disbursed to 595 projects, compared with ₦111.81 million to 353 projects in the same period of 2018. Aggregate disbursement from inception in 2017 to end-June 2019 was ₦1.74 billion for 1,111 projects. Repayment in the review period was ₦0.981 million, bringing aggregate repayment from inception to end-June 2019 to ₦0.986 million.

2.6.1.1.6.1 Creative Industry Financing Initiative (CIFI)

The Initiative was introduced during the review period as a window under the AGSMEIS to improve access to long-term, low-interest financing by entrepreneurs and investors in the creative industry and information technology (IT) sub-sectors. Activities eligible for financing include fashion, information technology, software development, movie and music production and distribution. However, operations had not commenced as at the end of the review period.

2.6.1.1.7 Youth Entrepreneurship Development Programme (YEDP)

The YEDP was aimed at deepening credit delivery to diligent youth entrepreneurs, including serving and ex-National Youth Service Corps members. There was no disbursement in the review period, but from inception in 2016 to end-June 2019, ₦173.42 million was disbursed for sixty-seven (67) projects. The sum of ₦20.65 million was repaid during the review period, compared with ₦7.01 million in the corresponding period of 2018. This brought the cumulative repayment at end-June 2019 to ₦32.94 million.

2.6.1.1.8 Real Sector Support Facility (RSSF)

This was established in 2014 to provide financing to large-scale enterprises with high potentials for growth, increase accretion to foreign reserves, expand the industrial base and diversify the economy. In the first half of 2019, ₦40.00 billion was released for one (1) project, compared with ₦23.91 billion for five (5) projects in the same period of 2018. Cumulatively, ₦157.51 billion had been disbursed to twenty-four (24) projects from inception to end-June 2019. The sum of ₦2.90 billion was repaid in the review period, compared with ₦960.16 million in the first half of 2018. This brought total repayment from inception to end-June 2019 to ₦11.81 billion.

2.6.1.1.8.1 Differentiated Cash Reserve Ratio (DCRR) Window of the RSSF (RSSF-DCRR)

To further improve access to affordable long-term finance in the manufacturing, agricultural and other highly employment-elastic and growth-stimulating sectors, the DCRR window was introduced under the RSSF. In the first half of 2019, eighteen (18) projects were financed with ₦75.55 billion, bringing aggregate disbursement to ₦81.71 billion for 22 projects, from inception in the second half of 2018 to end-June 2019. All the loans were under moratorium as at the end of the review period.

2.6.1.1.9 Small and Medium Enterprises Restructuring and Refinancing Facility (SMERRF)

The SMERRF was established to revive ailing manufacturing companies by refinancing and restructuring their existing credit facilities with banks. A total of 604 projects accessed ₦300.1 billion from the Facility before it was discontinued in December 2014. In the review period, repayments amounted to ₦12.60 billion. Consequently, cumulative repayments from inception in 2010 to end-June 2019 stood at ₦132.16 billion.

2.6.1.1.10 Textile Sector Intervention Facility (TSIF)

The Programme is targeted at the revival of the cotton, textile and garment industry to promote local production of fabrics and create jobs. In the first half of 2019, no disbursement was made, compared with ₦19.08 billion disbursed for two (2) projects in the first half of 2018. Cumulatively, ₦55.76 billion had been disbursed for thirty-three (33) projects from inception to end-June 2019. During the review period, ₦884.38 million was repaid by six (6) projects, bringing total repayment from inception to end-June 2019 to ₦3.11 billion.

2.6.1.1.11 Power and Airline Intervention Fund (PAIF)

The PAIF was designed to stimulate private sector investments in power and aviation. There was no disbursement in the review period, compared with ₦18.74 billion disbursed for four (4) projects in the first half of 2018. From inception to end-June 2019, ₦301.37 billion had been disbursed for seventy-one (71) projects. A breakdown of cumulative disbursement indicated that forty-seven (47) power projects accounted for ₦180.61 billion (59.9%) and twenty-four (24) airline projects accounted for ₦120.76 billion (40.1%).

Table 8
Summary of PAIF Disbursement and Repayment

S/N	Type	No. of Projects	Disbursement (₦' billion)	%	Repayment (₦' billion)
1	Airline	24	180.61	40.1	76.30
2	Power	47	120.76	59.9	81.95
	Total	**71**	**301.37**	**100.00**	**158.25**

Source: CBN

The sum of ₦12.72 billion was repaid in the first half of 2019, compared with ₦12.35 billion in the same period of 2018. Aggregate repayment from inception to end-June 2019 stood at ₦158.25 billion.

2.6.1.1.12 Nigeria Electricity Market Stabilisation Facility (NEMSF)

The NEMSF was introduced to provide liquidity to the Nigerian Electricity Supply Industry (NESI) by settling the shortfall in revenue during the Interim Rules Period (IRP) up to end-December 2014 and outstanding gas debts or legacy debts owed by the former Power Holding Company of Nigeria (PHCN). This would position NESI on the path of sustainable growth and viability.

In the review period, there was no disbursement, compared with ₦38.53 billion disbursed to twenty-nine (29) market participants in the first half of 2018, comprising: one (1) distribution company (DisCo), seventeen (17) generating companies (GenCos), six (6) gas companies (GasCos) and five (5) service providers. This was, also, in contrast to ₦24.34 billion disbursed to thirty-one (31) market participants in the preceding period of 2018: one (1) DisCo, eighteen (18) GenCos, six (6) GasCos and six (6) service providers. From inception to end-June 2019, ₦183.09 billion had been disbursed to the Nigerian Electricity Supply Industry Stabilisation Strategy (NESISS) Ltd., to refinance thirty-seven (37) eligible market participants. The sum of ₦9.36 billion was repaid in the review period, compared with ₦4.99 billion in the corresponding period of 2018. The total repayment from inception to end-June 2019 amounted to ₦39.82 billion.

2.6.1.1.13 Nigeria Bulk Electricity Trading Payment Assurance Facility (NBET-PAF)

This was a bridging facility introduced in 2017 to enable NBET Plc. provide at least 80.0 per cent payment to GenCos to sustain power supply. The sum of ₦98.12 billion was disbursed in the review period, compared with ₦248.40 billion in the same period of 2018. Total disbursement at end-June 2019 stood at ₦623.88 billion.

2.6.1.1.14 CBN-BOI Industrial Facility

This Facility was provided by the Bank to the Bank of Industry (BOI) to enhance its financing of the industrial sector through investments in value-added projects. In the first half of the year, there was no disbursement, in contrast to ₦50.00 billion disbursed for twenty-seven (27) projects in the corresponding period of 2018, and ₦50.00 billion for thirty-three (33) projects in the preceding period of 2018. From inception to end-June 2019, ₦100.00 billion had been disbursed for sixty (60) projects.

2.6.1.1.15 National Food Security Programme (NFSP)

The NFSP was introduced to enable large-scale enterprises support the Federal Government's Strategic Grains Reserves. The sum of ₦8.90 billion was disbursed to two (2) enterprises for two (2) projects in the first half of 2019, compared with about ₦4.04 billion released to one (1) enterprise for three (3) projects in the corresponding period of 2018. Cumulative disbursement from inception in 2017 to end-June 2019 stood at ₦53.49 billion to four (4) enterprises for eleven (11) projects. Repayments in the review period amounted to ₦2.60 billion, raising cumulative repayments from inception to end-June 2019 to ₦5.39 billion. Additionally, over 58,947 outgrowers had been engaged by beneficiary enterprises.

2.6.1.1.16 Presidential Fertiliser Initiative (PFI)

The Initiative was introduced to increase the production of nitrogen, phosphorus and potassium (NPK) fertiliser by local blending plants. This was expected to enhance fertiliser availability and affordability, with a view to improving farmers' productivity and creating jobs. In the review period, no disbursement was made under the Initiative, in contrast to ₦20.00 billion disbursed for three (3) projects in the first half of 2018 and ₦10.00 billion for one (1) project in the preceding period of 2018. Cumulatively, from inception in 2016 to end-June 2019, ₦35.00 billion had been disbursed for five (5) projects, through the Nigeria Sovereign Investment Authority (NSIA), the managing agent of the Initiative.

2.6.1.1.17 Non-oil Export Stimulation Facility (NESF)

The NESF, which commenced in 2018, was to provide concessionary finance to exporters for expansion and the promotion of diversification of the economy. In the first half of 2019, ₦8.00 billion was disbursed for two (2) projects, compared with ₦19.04 billion disbursed for six (6) projects in the same period of 2018. Aggregate disbursement from inception to end-June 2019 was ₦33.49 billion. The sum of ₦1.00 billion was repaid in the review period, compared with ₦5.04 billion in the first half of 2018. Cumulative repayment from inception to end-June 2019 was ₦6.04 billion.

2.6.1.1.18 Export Development Facility (EDF)

The EDF was introduced in 2018 to finance investments in export-oriented projects. The Bank underwrote the ₦50.00 billion debenture issued by the managing agent, the Nigerian Export Import Bank (NEXIM), to finance the Scheme. Cumulative disbursement from inception to end-June 2019 was ₦50.00 billion. In the first half of 2019, there was no repayment under the Facility.

2.6.1.1.19 Shared Agent Network Expansion Facility (SANEF)

In collaboration with the Body of Bank Chief Executives, the Bank established SANEF, as a long-term financing facility to enable CBN-licensed Super Agents and Mobile Money Operators (MMOs) expand capacity and increase access points across the country, particularly in highly financially-excluded locations. The ultimate goal was to accelerate and deepen financial inclusion.

In the first half of 2019, there was no disbursement under the Facility, compared with ₦3.75 billion disbursed to eight (8) projects in the corresponding period of 2018. From inception to end-June 2019, the sum of ₦5.50 billion had been disbursed for eleven (11) projects.

2.6.2 Credit Guarantee Schemes

2.6.2.1 Agricultural Credit Guarantee Scheme (ACGS)

In the first half of 2019, a total of 11,981 loans valued at ₦1.68 billion was guaranteed under the ACGS, compared with 10,420 loans valued at ₦1.75 billion in the first half of 2018. This showed an increase of 14.9 per cent in volume but a decline of 4.1 per cent in value guaranteed. A breakdown of the volume of loans guaranteed by purpose showed that: food crops accounted for 8,183 (68.3%); livestock, 1,171 (9.8%); mixed crops, 702 (5.9%); cash crops, 1,213 (10.1%); fisheries, 444 (3.7%); and 'others', 268 (2.2%). An analysis of value of loans guaranteed by category of borrowers showed that: individuals accounted for ₦1.58 billion, (93.7%); informal groups, ₦98.82 million (5.9%); cooperatives, nil; and companies, ₦7.00 million (0.4%), compared with ₦1.71

billion, (97.3%) for individuals; informal groups, ₦26.02 million (1.5%); cooperatives, ₦11.61 million (0.7%); and companies, ₦9.75 million (0.6%) in the corresponding period of 2018. The cumulative number of loans guaranteed from inception of the Scheme in 1978 to end-June 2019 was 1,143,781, valued at ₦115.93 billion.

During the review period, a total of 8,676 loans valued at ₦1.32 billion were fully repaid, compared with 17,977 loans valued at ₦3.05 billion in the corresponding period of 2018. The cumulative repayment from inception to end-June 2019 was ₦88.27 billion for 897,944 loans.

Furthermore, only one (1) default claim valued at ₦0.047 million was settled in the review period, compared with none in the corresponding period of 2018. Consequently, the cumulative number of settled default claims at end-June 2019 stood at 17,758, valued at ₦652.64 million.

2.6.2.1.1 Interest Drawback Programme (IDP)

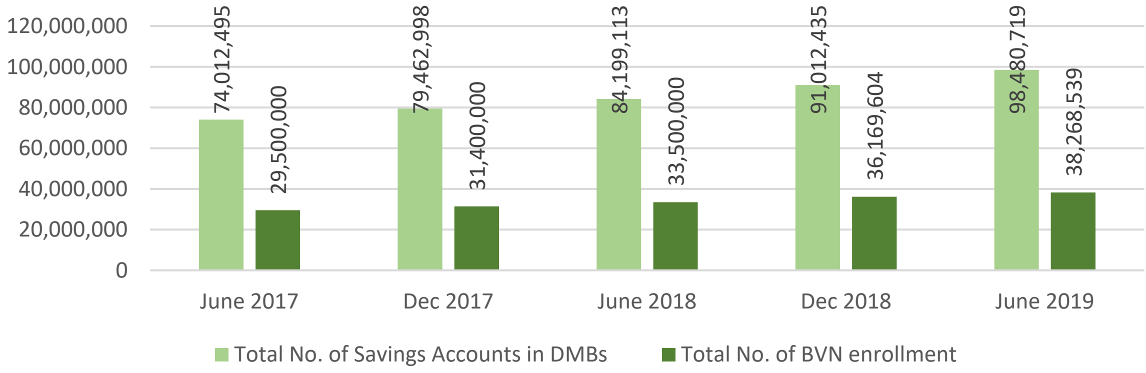
The Interest Drawback Programme (IDP) was designed to complement the ACGS by providing a rebate of 40.0 per cent of the market interest rate on ACGS loans which were repaid as and when due, with a view to reducing the effective cost of borrowing for farmers, thereby encouraging loan repayment.

In the first half of 2019, a total of 5,760 rebate claims valued at ₦87.64 million were settled, compared with 5,929 rebate claims valued at ₦89.31 million in the corresponding period of 2018, showing a decrease of 0.69 per cent in volume, but an increase of 60.23 per cent in value of settled claims. The number of IDP rebates settled from inception in 2003 to end-June 2019 was 357,300, valued at ₦3.19 billion.

2.7 Financial Inclusion

The "ownership" indicators under the Payments and Savings in the banking sector, recorded significant improvement during the review period. The total number of savings account of banks at end-June 2019 stood at 98.48 million, indicating an increase of 16.9 per cent above the level in the corresponding period of 2018. Similarly, total Bank Verification Number (BVN) enrollment increased from 33.5 million at end-June 2018 to 38.3 million at end-June 2019, representing an increase of 14.3 per cent. During the review period, a total of 2.1 million new bank accounts were opened.

Figure 30
Numbers of Savings Accounts in DMBs and BVN Enrollment



Source: Enhancing Financial Innovation and Access (EFinA) Monthly Returns

2.8 National Collateral Registry (NCR)

The NCR facilitates the use of movable assets as collateral for bank credit. By reducing emphasis on fixed assets as collaterals, it encourages small-scale borrowers to use their movable assets, such as stocks, valuables, and equipment, to obtain credit from financial institutions.

In the first half of 2019, the Registry enrolled 15 financial institutions, comprising seven (7) microfinance banks, seven (7) non-bank financial institutions, and one (1) development finance institution on its portal. From inception in 2016 to end-June 2019, the number of financial institutions registered on the NCR portal rose to 643, consisting of twenty-one (21) banks, 558 microfinance banks (MFBs), four (4) merchant banks, five (5) development finance institutions, nineteen (19) non-bank financial institutions, thirty-five (35) finance companies, and one (1) non-interest bank.

During the review period, the NCR registered 10,580 financing statements valued at ₦65.75 billion and US$12.28 million, compared with 7,621 valued at ₦113.34 billion and US$13.38 million registered in the corresponding period of 2018. The financing statements detailed the priority interest of sixty-three (63) financial institutions in movable assets used as collateral by 19,228 borrowers, compared with forty-two (42) financial institutions that registered financing statements in respect of 23,953 borrowers in the corresponding period of 2018.

Cumulatively, 50,365 financing statements valued at ₦1.29 trillion, US$1.16 billion and €6.08 million in respect of 177,144 borrowers, had been registered by 100 financial institutions since inception. An analysis of the number of borrowers showed that: individuals accounted for 17,275 (89.8%); large businesses, 58 (0.3%); medium businesses, 232 (1.2%); small businesses, 494 (2.6%); and micro businesses, 1,169 (6.1%).

Table 9
Summary of Financing Statements on the NCR as at end-June 2019

Borrower Type	No. of borrowers		Number of financing statements		Currency	Value of financing statements (₦'million)	
	Jan - Jun 2019	Cumulative	Jan - Jun 2019	Cumulative		Jan - Jun 2019	Cumulative
Individual	17,275	167,031	9,930	44,100	₦	19,890.48	149,990.11
					US$	0	0.64
					€	0	0
Large Business	58	769	49	742	₦	23,589.22	883,890.94
					US$	7.28	1,147.18
					€	0	6.06
Medium Business	232	2,434	216	2,389	₦	20,747.48	232,285.44
					US$	5.00	8.41
					€	0	0
Micro Business	1,169	4,612	118	1,184	₦	289.96	5,972.73
					US$	0	0
					€	0	0
Small Business	494	2,298	267	1,950	₦	1,230.56	21,132.92
					US$	0	0.12
					€	0	0.02
Total	**19,228**	**177,144**	**10,580**	**50,365**	**₦**	**65,747.70**	**1,293,272.13**
					US$	**12.28**	**1,156.35**
					€	**0**	**6.08**

Source: National Collateral Registry

ECONOMIC REPORT

3.0 GLOBAL ECONOMIC DEVELOPMENTS

3.1 Global Output

Global economic activity remained subdued during the first half of 2019. The International Monetary Fund (IMF) estimated global growth at 3.6 per cent for 2018, and reviewed downward the global forecast for 2019 at 3.2 per cent (WEO, July 2019). The growth projection reflected a number of key developments, including escalating trade tension between the United States and China, global technology supply chains uncertainty, resulting from US sanctions and Brexit-related uncertainty. Others were waning global consumer demand across advanced and emerging market economies, as firms and households continue to subdue long-term spending, as well as, rising geopolitical tensions in the Middle-East, which affected energy prices.

In the advanced economies, growth remained modest, despite better-than-expected surprises in the United States and Japan, as trade tension took a toll on business confidence, worsening financial market sentiment. Growth in the advanced economies was expected to decline to 1.9 per cent in 2019, from 2.2 per cent in 2018. In the United States, real gross domestic product (GDP) increased by 2.1 per cent in the second quarter of 2019, compared with 3.1 per cent in the first quarter, reflecting a slowdown in business investment. Growth in the euro area slowed to 0.2 per cent in the second quarter, down from 0.4 per cent in the first quarter. The slowdown reflected a lull in manufacturing activities and the impact of global trade tensions.

In the United Kingdom (UK), output grew by 0.5 per cent during the first quarter of 2019, indicating a 1.8 per cent year-on-year increase. The growth reflected the offset between the positive contributions from household expenditure, government consumption and investment, and negative contributions from net trade. The IMF maintained a downward revision of the UK growth to 1.4 per cent and 1.3 per cent for 2018 and 2019, respectively.

The Japanese economy grew by 0.9 per cent in the first quarter of 2019, compared with 0.3 per cent in the fourth quarter of 2018, reflecting additional fiscal support to the economy, including measures to mitigate the effects of the consumption tax slated to commence in October 2019.

In emerging market and developing economies, growth was weaker than anticipated, following softened global activity on account of intensified US-China trade and technology tensions, as well as, prolonged uncertainty surrounding the Brexit.

In China, growth slowed to 6.2 per cent in the second quarter, from 6.4 per cent in the first quarter of 2019, the slowest pace in almost three decades, as the trade war with the US took its toll on exports. The IMF revised the Chinese economic growth to 6.2 per cent for 2019, down from 6.6 per cent in 2018, despite the country's resilient domestic demand.

The Russian economy grew by 0.5 per cent in the first quarter of 2019, a lower-than-expected performance, reflecting weak consumption on the back of pension age increase. In addition, a higher VAT rate in January and a much more unpredictable warmer winter, which lowered utilities output, accounted for the performance.

In sub-Saharan Africa (SSA), growth performance was mixed, with strong growth in some non-resource-intensive countries offsetting the lackluster performance of the region's dominant economies. In addition, higher oil prices supported a better outlook for oil-exporting countries, including Angola and Nigeria. Activity in the region portends a favourable outlook for Nigeria's economy, as growth was expected to improve from 1.9 per cent in 2018 to 2.3 per cent in 2019. The Nigerian economy grew by 2.01 per cent in the first quarter of 2019.

The South African economy was expected to slow down, due to a larger-than-expected effect of strike activity, energy supply issues in mining, and weak agricultural production.

3.2 Global Commodity Prices

Global commodity prices rebounded in the first quarter of 2019. The production cuts by OPEC and substantial reduction in world supply, which resulted in increase in oil prices contributed significantly to the upward trend in global commodity prices. Prices of metal and minerals recovered from losses experienced in the last quarter of 2018, amidst firming economic activity prospects for China. The expansion of fiscal stimulus and the resumption of US-China negotiations early in the year further supported the upward trend in the global commodity prices. Major prices of agricultural products increased moderately due to lower harvest. Global crude oil prices increased marginally from US$65.33 pb at end-December 2018 to US$65.60 pb at end-June 2019.

The Food and Agriculture Organisation (FAO) Food Price Index (FFPI) averaged 173.0 points in June 2019, indicating an increase of 11.30 points (7.0%) over 161.70 points in December 2018. The development was driven, largely, by weather conditions, sharp increase in maize export prices, increased expectations of tighter export supplies and high demand for corn in the production of biofuels and ethanol by the United States. The FAO Cereal Price Index averaged 173.2 points in June 2019, showing an increase of 5.4 points (3.2%) above 167.8 points in December 2018, and 7 points (4.2%) above 166.2 points in the corresponding period of 2018.

The FAO Dairy Price Index averaged 199.2 points in June 2019, representing an increase of 29.2 points (17.2%) above 170.0 points in December 2018. It was, however, lower by 14.0 points (6.6%), compared with the level in the corresponding period of the preceding year. The increase in June 2019 reflected higher export demand in the United States and the EU.

The FAO Meat Price Index averaged 176.0 points in June 2019, representing an increase of 13.6 points (8.4%) above 162.4 points in December 2018, compared with 169.8 points in the corresponding period of 2018. The increase was driven, largely, by strong demand, particularly for pig, poultry and ovine meat, and weak domestic production caused by the spread of swine fever.

The FAO Vegetable Oil Price Index averaged 125.5 points in June 2019, representing a marginal decrease of 0.30 point (0.2%) lower than 125.8 points in December 2018, marking its seventh consecutive fall. This represented 20.6 points (14.1%) lower than 146.1 points in the corresponding period of 2018. The decrease was due, primarily, to declining palm oil and soy oil prices, despite a slight increase in sunflower and rapeseed oil prices.

The FAO Sugar Price Index averaged 183.3 points in June 2019, representing an increase of 3.7 points (2.1%), higher than 179.6 points in December 2018 and 5.9 points (3.33%) above the corresponding period of 2018. The increase was due, largely, to the appreciation of the Brazilian real against the United States dollar, and the decline in exports from the EU.

3.3 Global Inflation

Global consumer prices generally trended downward, owing to decline in price levels in most advanced, emerging market and developing economies. Aligning with the slowdown in global consumer demand, core inflation remained below targets in some advanced countries, including the United States, the euro area and Japan. Core inflation fell below historical averages in many emerging market and developing economies, except in a few countries, such as Argentina, Turkey, and Venezuela. Headline inflation also slowed down in both developed and emerging market economies, contributing significantly to the moderation in projected inflation. Despite the increase in oil prices and higher tariffs in some countries, cost remained muted, indicating still-tepid wage growth in various economies, even as the labour market remained tight.

In the advanced economies, inflation moderated, and was expected to drop to 1.6 per cent in 2019, below the 2.0 per cent in 2018, reflecting the subdued global economic activities and reduction in commodity prices.

In the euro area, inflation was estimated at 1.3 per cent in June 2019, lower than 1.4 and 1.7 per cent estimated for January 2019 and April 2019, respectively. The low inflation recorded during the period under review was influenced by reduction in the prices of both unprocessed food and energy products. Inflation, in the euro area, was expected to decline to 1.3 per cent in 2019, from 1.8 per cent in 2018.

Inflation in the UK moderated to 2.0 per cent in June 2019, from 2.1 per cent in April 2019, due to a drop in fuel prices. However, the rate was higher than 1.8

per cent estimated for January 2019. The rate was anticipated to moderate to 1.8 per cent in 2019, from 2.5 per cent in 2018.

In the United States, inflation was 1.6 per cent in June 2019, same as in January, but was lower than 2.0 per cent in April 2019, reflecting a drop in energy prices. In the US, inflation forecast for 2019 was 2.0 per cent, compared with 2.4 per cent in 2018. It was expected that the US economy would operate above potential in 2019-2020, with core inflation exceeding the medium-term target of 2.0 per cent.

In the emerging market and developing economies (excluding Venezuela), inflation was expected to rise slightly to 4.9 per cent in 2019, from 4.8 per cent in 2018, reflecting higher value-added tax rate, relatively strong demand conditions and a modest increase in food inflation in some countries. Over the medium-term, inflation is set to moderate to about 4.0 per cent, as growth stabilises across the region.

In China, inflation increased to 2.7 per cent in June 2019, from 2.5 per cent in April 2019 and 1.7 per cent in January 2019, attributed to the increase in the prices of food, fruit, pork and non-food items. The rate was projected at 2.3 per cent for 2019, from 2.1 per cent in 2018.

In Japan, inflation decreased to 0.7 per cent in June 2019, from 0.9 per cent in April 2019, due to a fall in energy prices. However, the rate was relatively higher than 0.2 per cent for January 2019. Inflation was still below the Bank of Japan's target of 2.0 per cent. In Brazil, inflation also trended downward to 3.4 per cent in June 2019, below 3.8 per cent in January 2019, amidst a slowdown in the cost of food and non-alcoholic beverages, housing and transport. The IMF projected inflation to increase in Russia as a result of a higher value-added tax rate. Inflation was expected to reach 5.0 per cent in 2019 from 2.9 per cent in 2018.

In sub-Saharan Africa, inflation was estimated at 8.1 per cent for 2019, from 8.5 per cent in 2018, though expected to remain at double digits for some large economies. In Nigeria, inflation fell to 11.2 per cent (year-on-year) in June 2019, from 11.4 per cent in the previous month, reflecting the effect of the CBN's monetary policy stance and increase in crude oil prices, which boosted external reserves and supported the domestic currency. It was expected to decline from 12.1 per cent in 2018 to 11.7 per cent in 2019.

Similarly, inflation in Angola fell to 16.9 per cent in June 2019, from 17.1 per cent in the previous month, being the lowest rate since January 2016. The rate was projected to decline to 17.5 per cent in 2019, from 19.6 per cent in 2018. In Ghana, inflation fell to 9.1 per cent in June 2019, from 9.4 per cent in the previous month. It was the lowest rate since January, as prices of both food and non-food products reduced slightly. Ghana's headline inflation was estimated at 9.1 per cent in 2019, compared with 9.8 per cent in 2018.

3.4 International Financial Markets

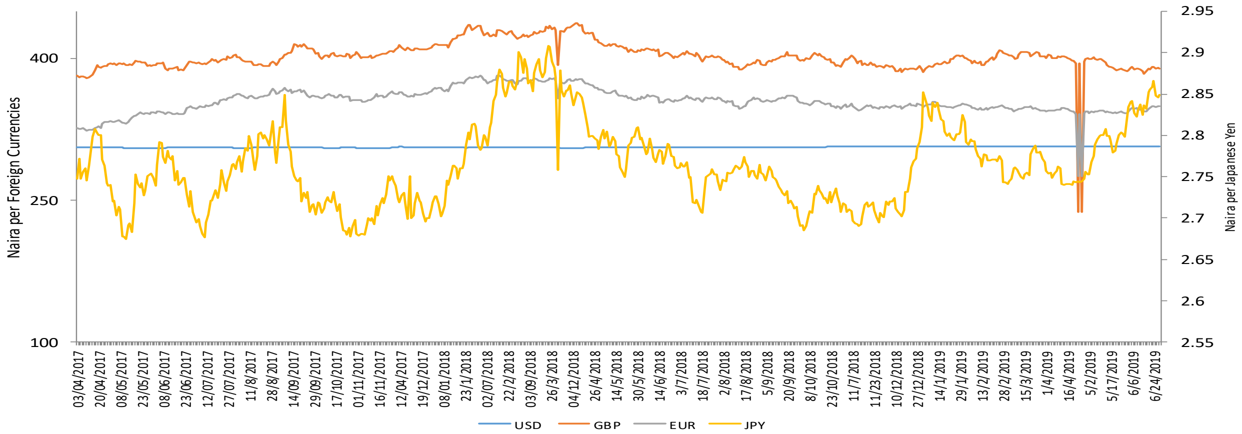
The global stock markets experienced a sharp reversal during the first half of 2019, after a near bearish performance in the last three months of 2018. The development was influenced by the general expectation of a resolution of the U.S. and China trade dispute, early signs of China stimulus taking hold, and an optimistic shift by the U.S. Fed and other central banks. The market was generally bearish in Africa, but bullish in other regions.

In North America, the United States S&P 500, Canadian S&P/TSX Composite and Mexican Bolsa Indices increased by 17.3, 14.4 and 3.7 per cent, respectively. In South America, the Brazilian Bovespa Stock, Argentine Merval and Columbian COLCAP indices rose by 13.8, 38.0 and 16.8 per cent, respectively.

In Europe, the United Kingdom FTSE 100, France CAC 40 and Germany DAX indices increased by 10.4, 17.1 and 17.4 per cent, respectively. In Asia, Japan's Nikkei 225, Shanghai Stock Exchange-A and India's BSE Sensex indices rose by 6.3, 19.5 and 9.2 per cent, respectively.

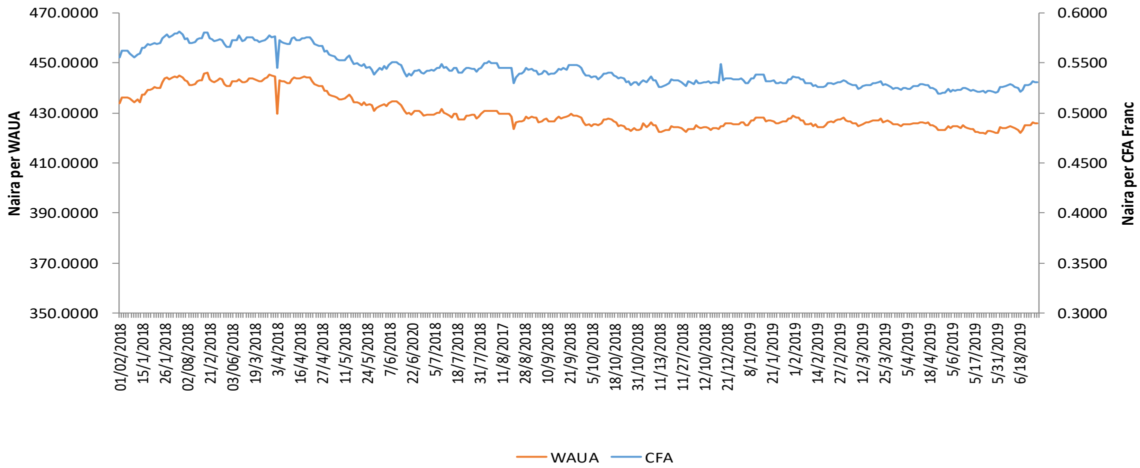
In sub-Saharan Africa, the South African JSE All-Share and Egyptian EGX CASE 30 indices increased by 10.4 and 8.2 per cent, respectively, while the Nigerian NSE All-Share, Kenyan Nairobi NSE 20, and Ghanaian GSE All-Share indices decreased by 4.7, 7.1 and 4.2 per cent, respectively.

Figure 31
Performance of the Naira against Major Currencies



Source: CBN

Figure 32
Performance of the Naira against Regional Currencies



Source: CBN

Table 10
Indices of Selected International Stock Markets
(As at End-June 2019)

Country	Index	End-Dec, 2017	End-Dec, 2018	End-June, 2018	% Change End-Dec 2017 - End-Jun 2019	% Change End-Dec 2018 - End-Jun 2019
AFRICA						
Nigeria	ASI	38,243.19	31,430.50	29,966.87	-21.64	-4.66
South Africa	JSE African AS	59,504.67	52,736.86	58,203.84	-2.19	10.37
Kenya	Nairobi NSE 20	3,711.94	2,833.84	2,633.32	-29.06	-7.08
Egypt	EGX CSE 30	15,019.14	13,035.77	14,100.74	-6.11	8.17
Ghana	GSE All Share	2,579.72	2,499.33	2,394.82	-7.17	-4.18
NORTH AMERICA						
US	S&P 500	2,673.61	2,506.85	2,941.76	10.03	17.35
Canada	S&P/TSX Composite	16,209.13	14,322.86	16,382.20	1.07	14.38
Mexico	Mexico Bolsa (IPC)	49,354.42	41,640.27	43,161.17	-12.55	3.65
SOUTH AMERICA						
Brazil	Bovespa Stock	76,402.08	87,887.26	100,000.97	30.89	13.78
Argentina	Merval	30,065.61	30,292.55	41,796.36	39.02	37.98
Colombia	COLCAP	1,513.65	1,325.93	1,548.98	2.33	16.82
EUROPE						
UK	FTSE 100	7,687.77	6,728.13	7,425.63	-3.41	10.37
France	CAC 40	5,312.56	4,730.69	5,538.97	4.26	17.09
Germany	DAX	12,917.64	10,558.96	12,398.80	-4.02	17.42
ASIA						
Japan	NIKKEI 225	22,764.94	20,014.77	21,275.92	-6.54	6.30
China	Shanghai SE A	3,463.48	2,611.38	3,119.99	-9.92	19.48
India	BSE Sensex	34,056.83	36,068.33	39,394.64	15.67	9.22
Source: Bloomberg						

The global foreign exchange market witnessed appreciation of major currencies against the U.S. dollar during the first half of 2019. The depreciation of the U.S dollar was, attributed largely, to the weakening global output growth amidst prevailing uncertainties from headwinds. These included further escalation of trade tensions between the US and China, in addition to the trend of declining long term yields in the United States, which resulted in increased capital inflow to emerging market and developing economies.

In South America, the Brazilian real and Colombian peso appreciated by 0.52 and 1.18 per cent, respectively, while the Argentine peso depreciated by 11.26 per cent. Most currencies in Europe depreciated during the review period. The Russian ruble appreciated by 10.26 per cent, while the pound sterling and the euro depreciated by 0.50 and 1.14 per cent, respectively. In North America, the Mexican peso and the Canadian dollar appreciated by 3.82 and 2.24 per cent, respectively.

In Asia, the Japanese yen, Chinese renminbi and Indian rupee appreciated by 1.63, 0.15 and 0.10 per cent, respectively. The appreciation of the yen against the dollar was due, largely, to Japan's economic recovery, which attracted more investors.

In Sub-saharan Africa, the Nigerian naira, the South African rand and the Egyptian pound appreciated by 0.03, 1.92 and 7.37 per cent, respectively, while the Kenyan shilling and the Ghanaian cedi depreciated by 0.44 and 10.05 per cent, respectively.

Table 11
Exchange Rates of Selected Countries
(Value in Currency Units to US$)

	Currency	End-June 2018	End-December 2018	End-June 2019	End-Dec, 2018 - End-Jun, 2019 % (YTD) App/Dep	Y-on-Y % App/Dep
AFRICA						
Nigeria	Naira	305.75	307.00	306.90	0.03	-0.37
South Africa	Rand	13.73	14.35	14.08	1.92	-2.49
Kenya	Shilling	101.01	101.85	102.30	-0.44	-1.26
Egypt	Pound	17.92	17.92	16.69	7.37	7.37
Ghana	Cedi	4.73	4.92	5.47	-10.05	-13.53
NORTH AMERICA						
Canada	Dollar	1.31	1.36	1.31	3.82	0.00
Mexico	Peso	19.91	19.65	19.22	2.24	3.59
SOUTH AMERICA						
Brazil	Real	3.88	3.87	3.85	0.52	0.78
Argentina	Peso	28.93	37.66	42.44	-11.26	-31.83
Colombia	Peso	2,930.50	3,249.75	3,211.86	1.18	-8.76
EUROPE						
UK	Pound	0.76	0.78	0.78	-0.50	-3.05
Euro Area	Euro	0.86	0.87	0.88	-1.14	-2.27
Russia	Ruble	62.74	69.72	63.23	10.26	-0.77
ASIA						
Japan	Yen	110.76	109.69	107.93	1.63	2.62
China	Yuan	6.62	6.88	6.87	0.15	-3.64
India	Rupee	68.47	69.77	69.70	0.10	-1.76

Source: Bloomberg
YoY = Year on Year
YTD = Year to Date

3.5 Global Economic Outlook for the Rest of 2019

The IMF projected global growth to slow to 3.2 per cent in 2019, from 3.6 per cent in 2018 (WEO, July 2019). The advanced economies were projected to grow by 1.9 per cent in 2019, compared with 2.2 per cent in 2018, due, largely, to upward revision for the United States. Inflationary pressures generally softened, reflecting weak global activity, and in some cases, mounting disinflationary pressures, increased debt service burdens and constrained monetary policy space. In these circumstances, accommodative monetary policy remains appropriate. In the United States, growth was projected at 2.6 per cent in 2019, from 2.9 per cent in 2018. In the euro area, growth was projected at 1.3 per cent in 2019, compared with 1.9 per cent in 2018. The IMF's projections for other advanced economies, such as the United Kingdom, Japan and Canada, were similar, with reduced optimism for 2019. The gloomy outlook for 2019 was on account of the escalating trade tensions between the United States and China and Brexit-related uncertainty, that significantly weakened consumer and business confidence, as well as, global trade.

In the emerging market and developing economies, growth was projected to weaken to 4.1 per cent in 2019, from 4.5 per cent in 2018, on account of the negative effects of escalating tariffs, declining external demand and other idiosyncratic developments in the region.

The Chinese economy was projected to grow by 6.2 per cent in 2019, compared with 6.6 per cent in 2018, reflecting the impact of its ongoing trade tension with the United States. Growth in the Indian economy was projected at 7.0 per cent in 2019, compared with 6.8 per cent in 2018, driven, mainly, by domestic demand.

In Brazil, growth was projected to slow to 0.8 per cent in 2019, from 1.1 per cent in 2018, due to weak sentiment from uncertainties surrounding the approval of pension and other structural reforms.

In sub-Saharan Africa, growth was projected at 3.4 per cent in 2019, from 3.1 per cent in 2018, due to high oil prices. The optimistic outlook for the region reflected improved prospects for the Nigerian economy, projected to grow from 1.9 per cent in 2018 to 2.3 per cent in 2019. The South African economy was projected to slow-down to 0.7 per cent in 2019, from 0.8 per cent in 2018.

4.0 DEVELOPMENTS IN THE DOMESTIC ECONOMY

4.1 Monetary and Credit Developments

The domestic economic indicators remained, largely, stable in the first half of 2019, with real GDP growth at 2.01 per cent in the first quarter, compared with growth of 1.89 per cent in the corresponding period of 2018. Inflation moderated and the exchange rate was stable. The Bank relaxed its monetary policy stance in March 2019, to encourage credit flow to the productive sectors of the economy and stimulate economic growth. The monetary policy committee (MPC) reduced the monetary policy rate (MPR) by 50 basis points to 13.50 per cent, but retained the cash reserve ratio at 22.50 per cent, liquidity ratio at 30.00 per cent and the asymmetric corridor of +200/-500 basis points around the MPR for the standing lending and deposit facilities, respectively.

4.1.1 Reserve Money

At ₦ 8,088,46 billion, reserve money rose by 13.4 per cent above its level at end-December 2018, in contrast to a decrease of 1.9 per cent at the end of the corresponding period of 2018. The development reflected the growth in domestic assets of the CBN, which more than offset the 3.4 per cent decline in NFAs. The rise in domestic assets resulted from significant increase in net claims on the Federal Government (247.8 per cent) and on other sectors of the economy (15.8 per cent). The corresponding rise in the Bank's liabilities resulted, wholly, from the increase in total bank reserves.

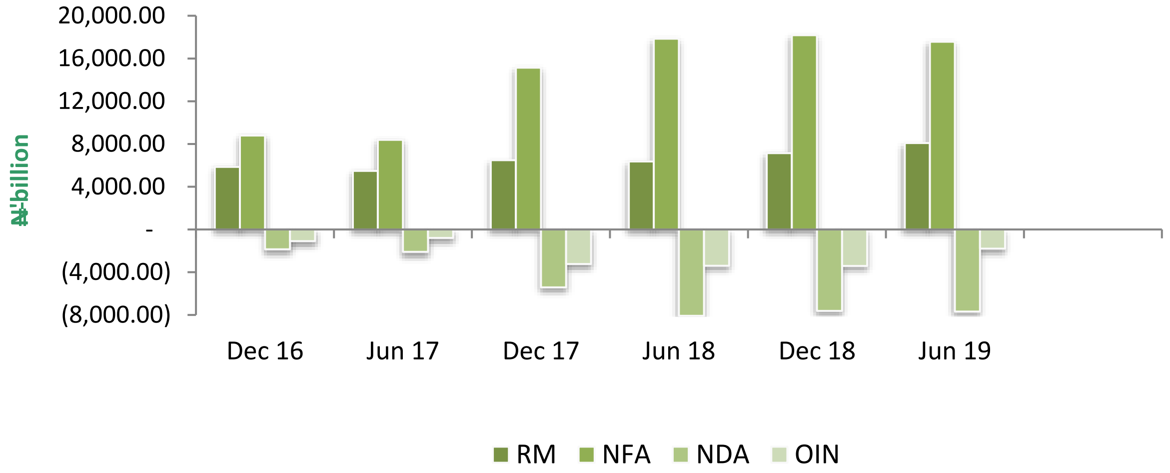
Aggregate credit (net) to the domestic economy rose by 17.3 per cent at end-June 2019, driven by the increase in net claims on the Federal Government and credit to the private sector. Growth in consumer credit rose in tandem with the increase in credit to the private sector and constituted 3.3 per cent of total credit to the core private sector, in the first half of 2019.

Table 12
Sources and Uses of Reserve Money

	Dec 16	Jun 17	Dec 17	Jun 18	Dec 18	Jun 19
Foreing assets (net)	**8,790.7**	**8,378.9**	**15,134.6**	**17,844.1**	**18,181.5**	**17,569.4**
Foreign Assets	9,248.6	9,449.9	15,313.3	18,204.7	18,182.2	17,658.8
Foreign Liabilities	458.0	1,071.0	178.6	360.7	0.8	89.4
Domestic Assets (net)	(1,854.0)	(2,103.0)	(5,413.9)	(8,086.0)	(7,626.0)	(7,676.8)
Net credit to Government	409.5	728.7	284.8	198.6	998.8	3,473.5
Net Claims on Private Sector	(3,895.7)	(4,517.1)	(7,370.0)	(10,060.3)	(10,978.9)	(12,710.4)
Claims on Banks	1,632.1	1,685.3	1,669.2	1,775.7	2,354.2	1,560.1
Other Assets (net)	(1,088.7)	(795.7)	(3,236.4)	(3,397.6)	(3,419.8)	(1,804.1)
RESERVE MONEY	5,847.9	5,480.2	6,484.3	6,360.5	7,135.7	8,088.5
Currency in Circulation	2,179.2	1,873.5	2,157.2	1,900.7	2,329.7	2,014.1
Banks Reserves	3,668.7	3,606.7	4,327.1	4,459.8	4,806.0	6,074.4
Reserve Money	5,847.9	5,480.2	6,484.3	6,360.5	7,135.7	8,088.5

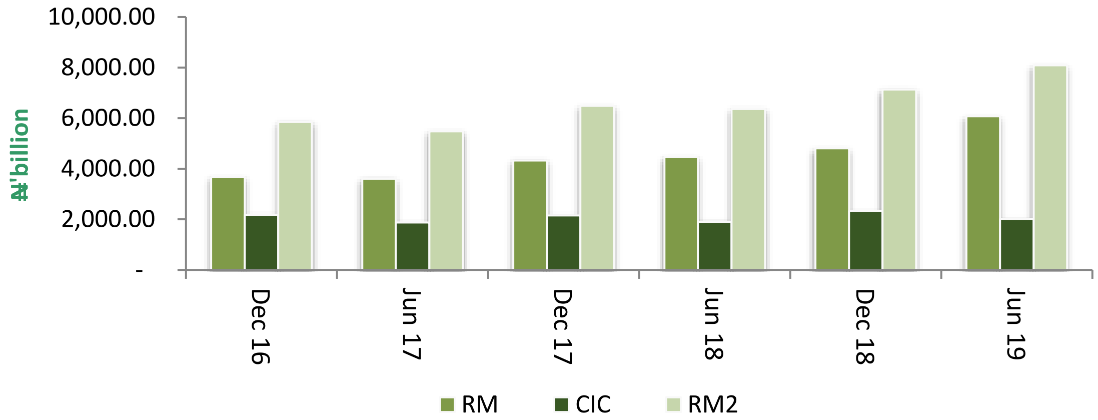
Source: CBN

Figure 33 (a)
Reserve Money and its Components: Sources
(₦' Billion)



Source: CBN

Figure 33 (b)
Reserve Money and its Components: Uses
(₦' Billion)



Source: CBN

4.1.2 Broad Money (M_3)

Broad money supply (M_3) grew by 5.0 per cent to ₦35,018.77 billion at end-June 2019, compared with 2.4 per cent at end-June 2018. The development resulted from the respective growth of 17.3 and 0.4 per cent in net domestic credit and foreign assets (net) of the banking system.

4.1.3 Broad money (M_2)

Broad money supply (M_2) grew by 3.0 per cent to ₦ 27,892.32 billion at end-June 2019, compared with 2.8 per cent at the end of the corresponding period of 2018. Growth in quasi money of 9.3 per cent accounted majorly for the growth in M_2.

4.1.3.1 Quasi Money

Quasi money grew by 9.3 per cent to ₦16,733.20 billion at end-June 2019, compared with 8.9 per cent at the end of the corresponding period of 2018. This was due to the growth in savings and time deposits with banks, particularly foreign currency deposits, which rose by 12.4 per cent.

4.1.4 Narrow Money (M_1)

Narrow money supply (M_1) fell by 5.1 per cent to ₦11,159.10 billion at end-June 2019, compared with 4.3 per cent at the end of the corresponding period of 2018. The development was due to the respective decline of 13.7 and 3.4 per cent in currency outside banks and demand deposits.

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

Currency-in-circulation fell by 13.6 per cent to ₦2,014.10 billion, compared with 11.9 per cent at end-June 2018. Bank reserves, on the other hand, grew by 26.4 per cent to ₦6,074.40 billion, compared with the growth of 3.1 per cent at the end of the first half of 2018. As a proportion of reserve money, CIC and bank deposits constituted 24.9 and 75.1 per cent, respectively.

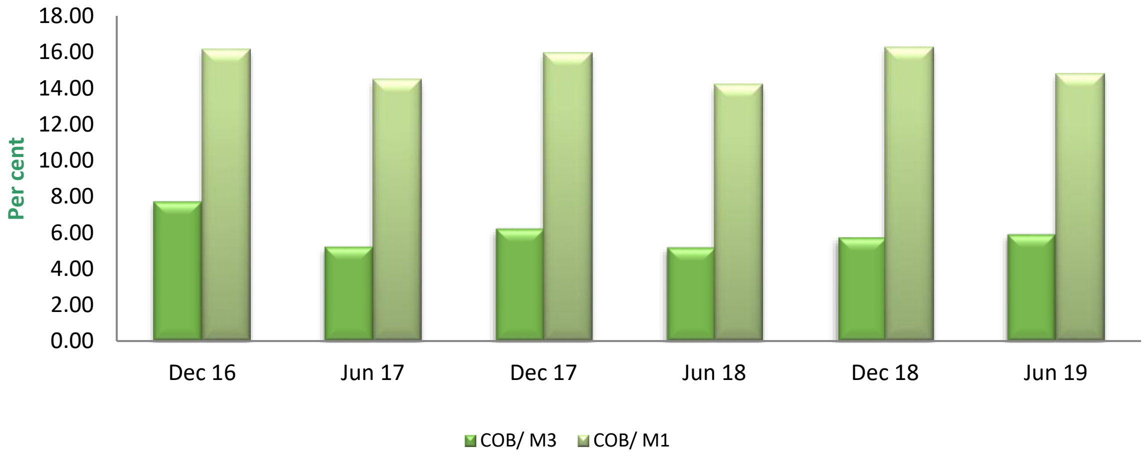
4.1.6 Currency Outside Banks (COB)

Currency outside banks fell by 13.7 per cent to ₦1,651.10 billion at end-June 2019, compared with the decline of 14.7 per cent at end-June 2018. This reflected increased use of electronic payments channels during the review period. As a percentage of broad money (M_3), COB constituted 5.9 per cent, compared with 6.1 per cent at end-June 2018.

4.1.7 Demand Deposits

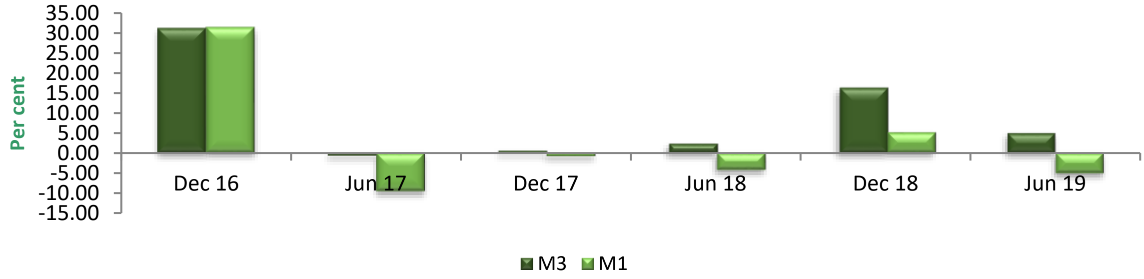
Demand deposits fell by 3.4 per cent to ₦9,508.03 billion at end-June 2019, compared with 2.3 per cent at the end of the corresponding period of 2018. The decline in demand deposits reflected growth in electronic mode of payments.

Figure 34
Ratio of Currency Outside Bank to Broad Money Supply



Source: CBN

Figure 35
Growth in Money Supply
(Per cent)



Source: CBN

4.1.8 Drivers of Growth in Money Supply

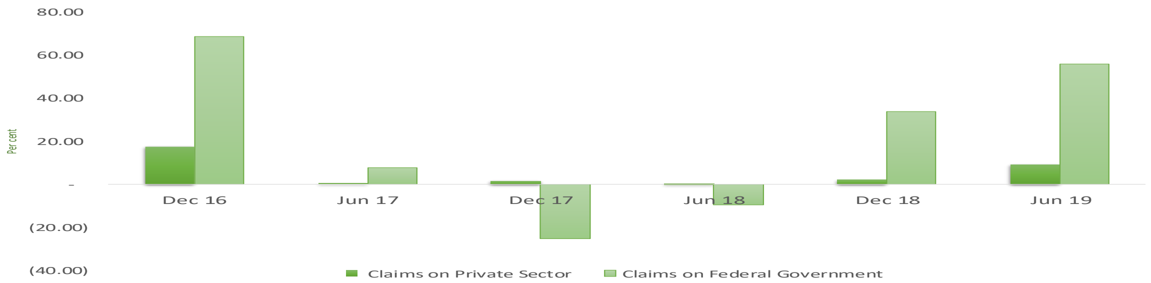
4.1.8.1 Net Foreign Assets (NFA)

Net foreign assets of the banking system grew by 0.4 per cent to ₦18,471.24 billion at the end of the review period, compared with 18.2 per cent at end-June 2018. The contribution of NFA to the growth of M_3 was 0.2 percentage point, compared with the contribution of 9.8 percentage points at end-June 2018.

4.1.8.2 Net Domestic Credit (NDC)

Net domestic credit (NDC) grew by 17.3 per cent to ₦32,332.63 billion at end-June 2019, in contrast to the decline of 3.3 per cent at the end of the corresponding period of 2018. This resulted from the growth of 55.8 per cent in net claims on the Federal Government and the 9.0 per cent increase in private sector credit. Consequently, NDC contributed 14.3 percentage points to the growth in broad money supply, in contrast to the negative contribution of 2.9 percentage points at end-June 2018.

Figure 36
Distribution of Aggregate Credit to the Economy
(₦' Billion)



Source: CBN

4.1.8.2.1 Net Credit to the Government (NCG)

Net claims on the Federal Government grew by 55.8 per cent to ₦7,581.50 billion at the end of the first half of 2019, in contrast to the decline of 22.9 per cent at the end of the corresponding half of 2018. This was due, largely, to increased holdings of government treasury bills of 704.8 and 6.7 per cent by the CBN and banks, respectively. Consequently, the contribution of net claims on the Federal Government to the growth of total monetary assets was 8.4 percentage points, in contrast to a negative contribution of 2.9 percentage points at end-June 2018.

4.1.8.2.2 Credit to the Private Sector (CP)

Credit to the private sector grew by 9.0 per cent to ₦24,751.13 billion at end-June 2019, in contrast to a decrease of 0.04 per cent at the end of the corresponding period of 2018. The development was due to the 2.7 and 9.5 per cent growth in claims on state and local Governments and claims on the core private sector, respectively. The contribution of claims on the private sector to the growth of total monetary assets was 6.1 percentage point, in contrast to the negative contribution of 0.03 percentage point in the second half of 2018.

4.1.8.3 Other Assets (net) (OAN)

Other assets (net) of the banking system fell by 25.2 per cent at end-June 2019, compared with negative 10.2 per cent at the end of the corresponding period of 2018. This was caused by the decline in unclassified assets of the CBN. The contribution of other assets (net) of the banking system to the growth of broad money was negative 9.5 percentage points at the end of the review period, compared with negative 4.5 percentage points at the end of the corresponding period of 2018.

Table 13
Growth in Monetary Aggregates
Over Preceding December (Per cent)

	Dec '16	Jun '17	Dec '17	Jun '18	Dec '18	Jun '19
Domestic Credit (Net)	24.27	1.41	(3.45)	(3.25)	6.34	17.26
Claims on Federal Government (Net)	68.59	7.69	(25.32)	(22.92)	33.72	55.80
Claims on Private Sector	17.42	0.02	1.40	(0.04)	1.87	9.00
Foreign Assets (Net)	61.85	(7.45)	69.63	18.15	18.54	0.40
Other Assets (Net)	(71.58)	(10.54)	(39.43)	(10.17)	1.31	(25.15)
Total Monetary Assets (M_3)	31.23	(0.64)	0.59	2.35	16.36	4.97
Quasi-Money	7.52	(4.30)	5.23	8.85	18.13	9.25
Money Supply (M_1)	31.50	(9.59)	(0.85)	(4.25)	5.16	(5.05)
Total Monetary Assets (M_3)	31.23	(0.64)	0.59	2.35	16.36	4.97

Source: CBN

4.1.9 Sectoral Distribution of Credit

Of the total banks' claims on the core private sector, credit to the priority sectors (agriculture, industry and construction), constituted 4.2, 39.6 and 4.4 per cent, respectively, of the total in June 2019, compared with 3.4, 38.6 and 4.0 per cent, in June 2018. As in the corresponding period of 2018, oil & gas accounted for the largest share of the industrial sector with 22.0 per cent, while mining and quarrying explained the least at 0.1 per cent. Manufacturing and power & energy sub-sectors accounted for 15.3 and 2.2 per cent, respectively, of the total credit at end-June 2019.

Table 14
Share of Credit to the Core Private Sector, 2018 – 2019 (per cent)

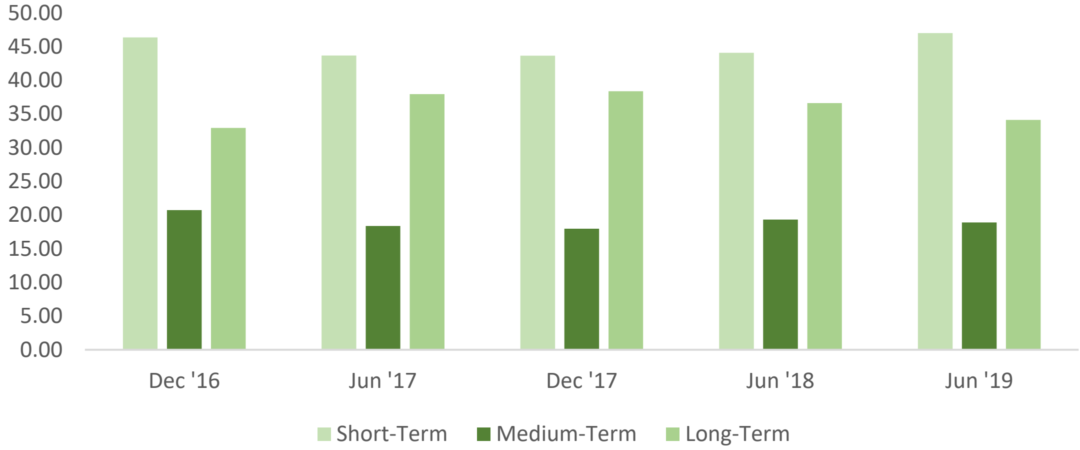
Item			Share in Total	Share in total	%Change
	Jun18	Jun19	Jun18	Jun 19	1&2
	₦ Billion	₦ Billion			
	1	2	3	4	
Agriculture	**523.08**	**636.08**	**3.42**	**4.2**	**21.60**
Industry	**5,899.92**	**5,991.84**	**38.59**	**39.59**	**1.56**
Mining & Quarrying	10.18	8.66	0.07	0.06	**-14.93**
Manufacturing	2,018.97	2,318.17	13.2	15.32	**14.82**
Oil & Gas	3,454.43	3,329.47	22.59	22.0	**-3.62**
Power and Energy	416.34	335.54	2.72	2.72	**-19.41**
Construction	**612.85**	**664.87**	**4.01**	**4.39**	**8.49**
Trade/General Commerce	**1,044.36**	**994.18**	**6.83**	**6.57**	**-4.80**
Government	**1,474.13**	**1,323.64**	**9.64**	**8.75**	**-10.21**
Services	**5,786.60**	**5,522.25**	**37.85**	**36.49**	**-4.57**
Real Estate	744.56	582.96	4.87	3.85	**-21.70**
Finance, Insurance and Capital Market	991.22	1131.3	6.48	7.48	**14.13**
Education	71.85	60.38	0.47	0.4	**-15.96**
Oil & Gas	1,235.66	1,061.73	8.08	7.02	**-14.08**
Power and Energy	319.91	295.48	2.09	1.95	**-7.64**
Others	2,423.40	2,390.42	15.85	15.8	**-1.36**
of which: i. General	942.68	1,015.49	6.17	6.71	**7.72**
ii. Information & Communication	814.57	689.2	5.33	4.55	**-15.39**
iii. Transportation & Storage	304.45	317.07	1.99	2.1	**4.15**
Total Private sector Credit	**15,289.47**	**15,134.20**	**100**	**100**	**-1.02**

Source: CBN

4.1.10 Maturity Structure of DMBs' Outstanding Loans and Advances, and Deposit Liabilities

Analysis of the structure of bank's credit in the first half of 2019, indicated that credit of short-term maturities remained dominant. Credit maturing within one year accounted for 47.0 per cent, compared with 44.1 per cent at end-June 2018. The medium-term (equal to or greater than 1year but less than 3 years) and long-term (3years and above) maturities stood at 18.9 and 34.1 per cent, respectively, compared with 19.3 and 36.6 per cent at the end of the corresponding period of 2018.

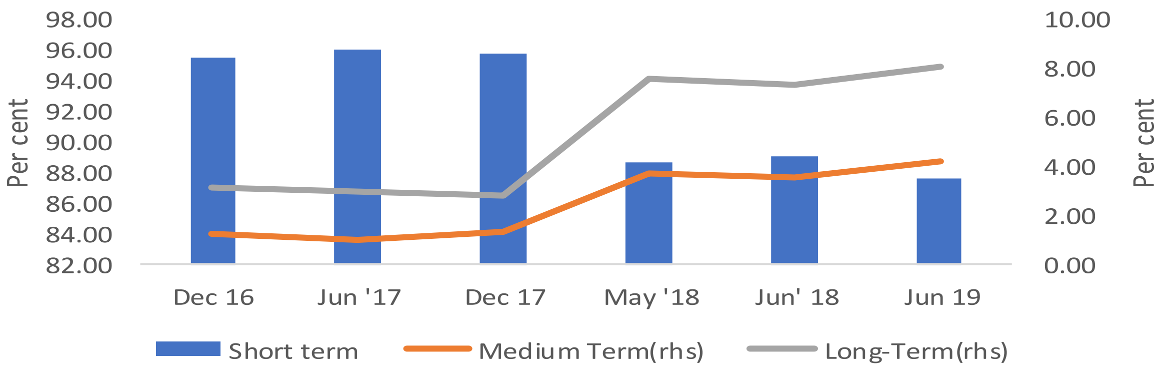
Figure 37
Distribution of Bank Loans and Advances by Maturity



Source: CBN

Similarly, deposits of less than one-year maturity constituted 87.7 per cent (of which 69.2 per cent had maturity of less than 30 days), compared with 89.1 per cent at the end of the first half of 2018. Further analysis showed that the medium and long-term deposits constituted 4.2 and 8.1 per cent, respectively, compared with 3.6 and 7.3 per cent at end-June 2018. Consequently, loan-to-deposit ratio stood at 60.2 per cent at end June 2019, compared with 79.0 per cent at end-June 2018, and reflected holdings of government securities by banks and claims on the core private sector.

Figure 38
Maturity Structure of Bank Deposits (per cent)



Source: CBN

Table 15

Maturity Structure of Banks Assets and Liabilities

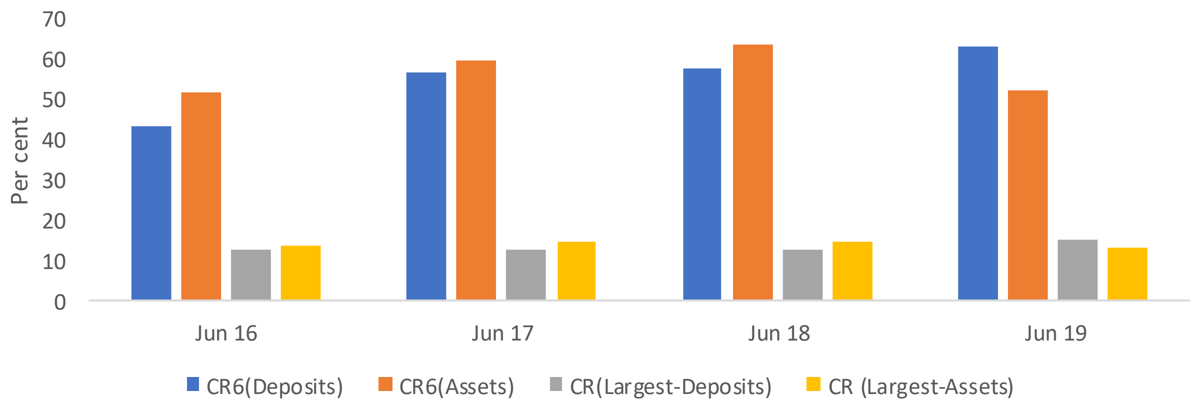
Assets (Loans and Advances)	Jun 16	Dec 16	Jun 17	Dec 17	Jun 18	Dec 18	Jun 19
Tenor							
0-30 days	26.6	27.3	27.9	25.6	25.3	25.2	28.1
31-90 days	7.1	6.8	6.6	7.8	6.8	9.3	7.6
91-181 days	7.5	7.2	4.7	5.3	5.9	4.4	4.7
181-365 days	4.7	5.1	4.4	5.0	6.1	8.3	6.6
Short-Term	46.0	46.4	43.7	43.65	44.06	47.14	47.00
Medium-Term (Above 1yr and below 3yrs)	18.1	20.7	18.4	18.0	19.3	17.4	18.9
Long-Term (3 Years and Above)	35.9	32.9	37.9	38.4	36.6	35.4	34.1
	100	**100**	**100**	**100**	**100**	**100**	**100**
Liabilities							
0-30 days	75.45	75.91	74.87	74.37	70.25	72.92	69.20
31-90 days	12.69	11.83	12.88	12.92	12.42	10.06	11.61
91-181 days	4.02	4.38	4.71	4.84	3.99	3.22	4.47
181-365 days	3.16	3.51	3.61	3.71	2.41	1.86	2.41
Short-Term	95.32	95.62	96.07	95.85	89.07	88.06	87.69
Medium-Term (Above 1yr and below 3yrs)	1.83	1.23	0.97	1.32	3.59	3.83	4.24
Long-Term (3 Years and Above)	2.85	3.15	2.95	2.83	7.34	8.11	8.07
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: CBN

4.1.11 Market Structure of the Banking Industry

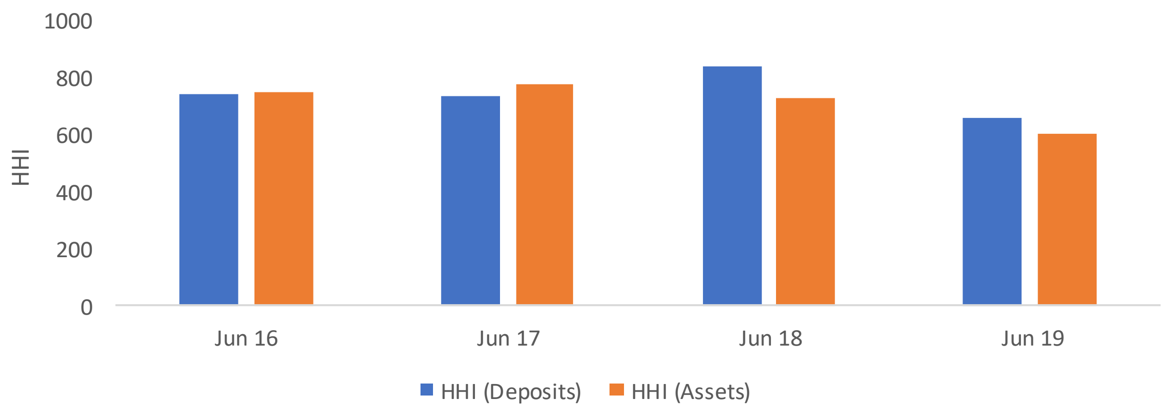
The structure of Nigerian banking system remained oligopolistic in the first half of 2019, with the concentration ratios of the largest six banks (CR_6) at 63.6 in deposits and 52.6 in assets. However, there was no dominance of a single bank, as the share of the largest in deposits and assets stood at 14.9 and 13.2 per cent, respectively, compared with 12.5 and 14.5 per cent in the first half of 2018. Nineteen (19) banks had percentage shares ranging from 0.01 to 4.3 per cent in deposits and 0.1 to 4.2 per cent in assets, compared with 0.1 to 5.2 per cent and 0.1 to 5.1 per cent, respectively in the corresponding period of 2018. The absence of dominance of any bank in the market was further indicated by the Herfindhal Hirschman Indices (HHI) of 664.08 (on a scale of 100 to 10,000) in deposits and 608.64 in assets, compared with 732.7 and 846.1 respectively, in the first half of 2018.

Figure 39a
Market Concentration Ratios of Banks (Assets and Deposits)



Source: CBN

Figure 39b
Measures of Competition in Banks: Herfindahl- Hirschman Index



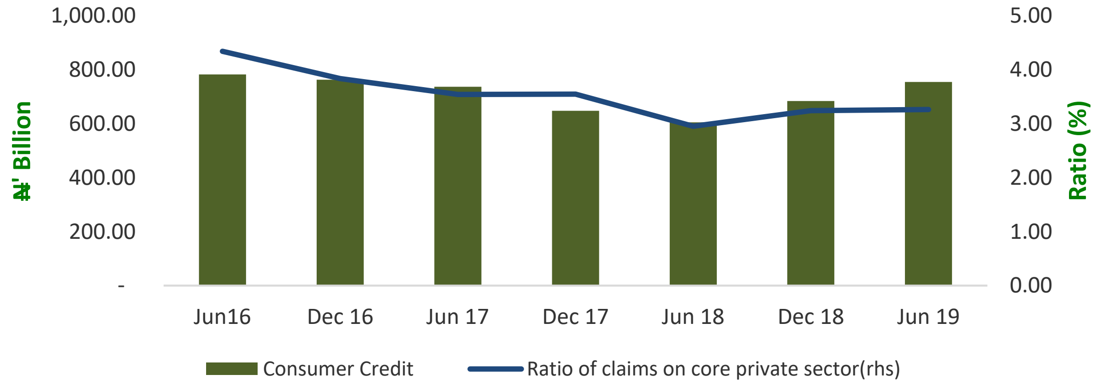
Source: CBN

Source: CBN

4.1.12 Consumer Credit

At ₦753.9 billion, consumer credit rose by 12.8 per cent at the end of the review period, in contrast to the decline of 1.4 per cent at the end of the corresponding period of 2018. At that level, consumer loans constituted 3.3 per cent of total credit to the core private sector, in the first half of 2019, compared with 3.0 per cent at the end of the corresponding half of 2018.

Figure 40
Consumer Credit and Ratio of Claims on Core Private Sector (₦' Billion)



Source: CBN

4.1.13 Money Market Developments

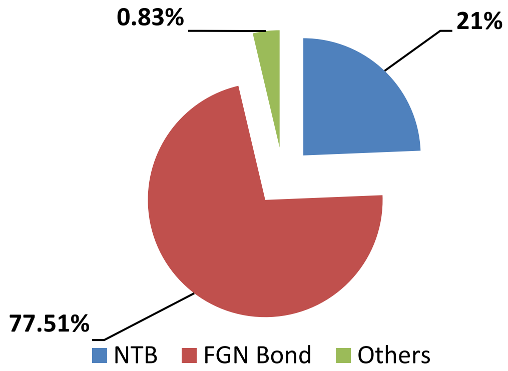
In the first half of 2019, activities in the money market reflected the trend in liquidity flow in the banking system. Liquidity was influenced, largely, by the fiscal operations of the Federal Government, effects of CRR, maintenance period settlement for foreign exchange intervention, maturity of CBN bills and monetised proceeds from the sale of crude oil (FAAC disbursement). The Bank also sustained its intervention in the foreign exchange market and retained the Investors' and Exporters' (I&E) window to boost foreign exchange supply from autonomous sources. Open Market Operations (OMO) remained the major instrument for liquidity management, complemented by cash reserve ratio (CRR), standing facilities window and interventions in the foreign exchange market.

4.1.13.1 Money Market Assets Outstanding

Money market assets outstanding stood at ₦12,244.48 billion at the end of the first half of 2019, indicating a decrease of 2.9 per cent, below the level in the corresponding half of 2018. The development reflected, mainly, decline of 16.0, 3.6 and 2.9 per cent in Bankers' Acceptances, FGN Bonds and Commercial Paper outstanding, respectively.

A breakdown of the total money market assets outstanding showed that 77.5 per cent was held in FGN Bonds, 21.65 per cent in NTBs, while Certificate of Deposits, Commercial Paper and Bankers Acceptances accounted for the balance.

Figure 41
Money Market Assets Outstanding (End-June 2019)



Source: CBN

4.1.13.2 Primary Market

Total NTBs issued and allotted was ₦1,473.84 billion apiece, indicating a decrease of ₦179.52 billion or 10.9 per cent below the level in the corresponding period of 2018. The decrease was attributed to fewer NTB issues and increased OMO auctions in the review period. Total public subscription, however, stood at ₦4,153.63 billion, compared with ₦3,223.36 billion in the corresponding period of 2018. The rise in the level of public subscription was attributed to the increased level of liquidity in the banking system.

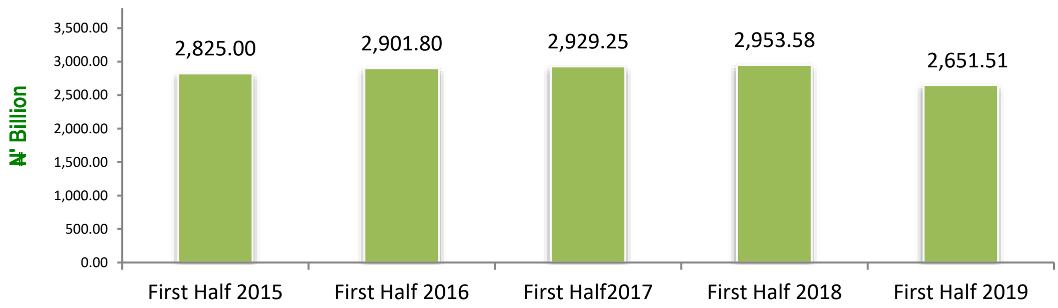
The structure of holdings of the instrument indicated that banks, including foreign investors, took up ₦766.37 billion or 52.0 per cent, Mandate and Internal fund customers, including CBN Branches, ₦494.13 billion or 33.5 per cent and merchant banks, ₦52.94 billion or 3.6 per cent.

The successful bid rates in the market ranged from 9.60 to 11.00 per cent for the 91-day, 11.89 to 13.50 per cent for the 182-day and 12.02 to 15.00 per cent for the 364-day tenors. The range of successful bid rates in the corresponding period of 2018 was 10.00 to 12.55 per cent for the 91-day, 10.30 to 13.93 per cent for the 182-day and 10.70 to 14.30 per cent for the 364-day tenors. The development was, largely, on account of the level of liquidity in the banking system and the prevailing monetary policy stance.

4.1.13.3 Structure of Outstanding Nigerian Treasury Bill Holdings

Treasury bills outstanding stood at ₦2,651.51 billion at end-June 2019, compared with ₦2,953.58 billion at end-June 2018. The structure of holdings indicated that banks accounted for 41.7 per cent of the total at end-June 2019, compared with 27.6 per cent in the corresponding period of 2018. Mandate (parastatals) and Internal Funds customers accounted for 45.5 per cent, merchant banks 0.8 per cent, while the CBN accounted for 12.0 per cent.

Figure 42
Nigerian Treasury Bills Outstanding
(₦' Billion)



Source: CBN

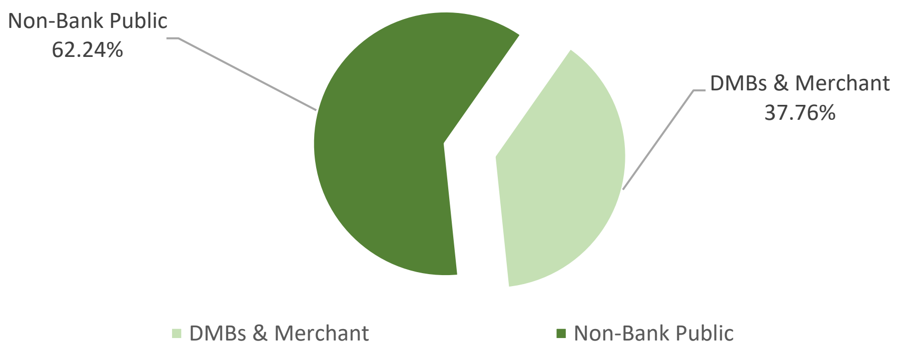
4.1.13.4 Federal Government of Nigeria Bonds

The total value of FGN Bonds offered to the public was ₦700.00 billion, while public subscription and sale stood at ₦1,160.45 billion and ₦615.39 billion, respectively. The amount offered comprised new issues and re-openings of FGN Bonds. In the same period of 2018, FGN Bonds issues, subscription and allotment amounted to ₦500.00 billion, ₦829.42 billion and ₦425.35 billion, respectively. The increase in issues, subscriptions and allotment was attributed, largely, to Government's preference for longer tenored domestic debt, relative to shorter tenored instruments such as Treasury Bills.

Consequently, the total value of FGN Bonds outstanding at end-June 2019 stood at ₦10,171.29 billion, compared with ₦9,407.53 billion at end-June 2018, indicating an increase of ₦763.76 billion or 8.1 per cent. The structure of holdings showed that ₦3,669.98 billion or 36.1 per cent was held by commercial banks, ₦170.48 billion or 1.7 per cent by merchant banks, and the balance of ₦6,330.83 billion or 62.2 per cent held by non-bank public.

Figure 43
Distribution of FGN Bonds
(End-June 2019, per cent)

Source: CBN



4.1.13.5 Open Market Operations (OMO)

Open Market Operations remained the core instrument for liquidity management during the review period.

4.1.13.6 OMO Auctions

Total amount of CBN bills worth ₦11,751.64 billion was issued in the first half of 2019. Public subscription and sale amounted to ₦13,054.31 billion and ₦11,827.64 billion, respectively, compared with ₦13,972.84 billion issued ₦11,651.25 billion and ₦9,743.76 billion, subscribed to, and allotted, in the first half of 2018. The high level of activity was attributed, largely, to the increased monthly disbursements to the three-tiers of government, huge amount of CBN bills maturities, and increased number of auctions during the period. Consequently, the cost of liquidity management, in the review period, rose to ₦1,284.08 billion, compared with ₦848.32 billion in the corresponding period of 2018.

4.1.13.7 The Two-Way Quote Trading in NTBs

There was no transaction during the review period, same as in the corresponding period of 2018. The absence of trading was due to the shift in the Bank's operational strategy.

4.1.13.8 Tenored Repurchase Transactions

Total request for repo transactions for the first half of 2019 amounted to ₦611.30 billion, while the applicable interest rates ranged from 18.50 to 19.50 per cent for the 4- to 90-day tenors, from January 01 to March 25, 2019, and 18.00 to 19.00 per cent from March 26 to June 30, 2019. Consequently, total interest earned on repo was ₦19.25 billion. In the preceding half year, request for repo amounted to ₦240.73 billion at the range of 18.50 to 19.50 per cent for the same tenors, while interest earned stood at ₦6.53 billion. The increased activity in 2019 reflected preference for tenored funds, relative to overnight facility.

4.1.13.9 Discount Window Operations

Within the period under review, CBN Bills worth ₦54.44 billion with 170 to 352 days to maturity were rediscounted at the rate of 13.50 per cent, while interest earned was ₦6.59 billion. There was no request for the rediscounting of CBN Bills in the corresponding period of 2018.

4.1.13.9.1 Over the Counter (OTC) Transactions

OTC transactions in NTBs during the first half of 2019 amounted to ₦44,794.05 billion, indicating an increase of ₦9,864.81 million or 28.2 per cent over the level of ₦34,929.23 billion in the first half of 2018. The increase was attributed, largely, to improved patronage from foreign and institutional investors.

OTC transactions in FGN Bonds during the first half of 2019 amounted to ₦7,052.72 billion, indicating an increase of ₦1,461.14 million or 26.1 per cent over the level of ₦5,591.59 billion in the same period of 2018. The trend was traced to the active participation of both local and foreign investors.

4.1.13.9.2 CBN Standing Facilities

The trend at the standing facilities window, Standing Lending Facility (SLF) and Standing Deposit Facility (SDF), showed less frequent recourse to the SLF in the first half of 2019, compared with the corresponding period of 2018. Meanwhile, the threshold for daily deposits per institution at the SDF Window remained ₦7.5 billion, in accordance with the Bank's quest to curtail unrestrained requests by market participants and encourage lending to the real sector of the economy. Applicable rates at the SLF and SDF windows were 16.00 and 9.00 per cent, from January 01 to March 25, 2019; and 15.50 and 8.50 per cent from March 26 to June 30, 2019, respectively. In the first half of 2018, the applicable rates for SLF and SDF were 16.00 and 9.00 per cent, respectively.

4.1.13.9.3 Standing Lending Facility (SLF)

The daily average request for SLF in the first half of 2019, amounted to ₦95.63 billion, out of which Intra-day Lending Facility (ILF) conversion was ₦35.50 billion. Total average daily interest charged was ₦66.87 million in the 121 transaction days in the review period of 2019. In the corresponding period of 2018, the average daily request for SLF was ₦57.36 billion in 123 transaction days, out of which ILF conversion was ₦45.54 billion, while average daily interest income stood at ₦44.40 million.

4.1.13.9.4 Standing Deposit Facility (SDF)

Patronage at the SDF window decreased to an average daily amount of ₦67.64 billion for the 121 days in the first half of 2019, from ₦88.30 billion for the 121 days in the corresponding period of 2018. Similarly, the average daily interest payments on the deposits decreased to ₦22.48 million in the review period, from ₦30.43 million in the corresponding period of 2018.

4.1.13.9.5 Inter-Bank Funds Market

Total average value of transactions at the inter-bank funds market stood at ₦1,205.09 billion, in the first half of 2019, indicating a significant difference of ₦489.03 billion or 68.3 per cent, compared with ₦716.06 billion in the corresponding period of 2018. A further analysis of the transactions indicated that the Open-Buy-Back (OBB) at ₦1,129.61 billion, accounted for 93.7 per cent, while the unsecured inter-bank call took up 6.3 per cent or ₦75.48 billion. In the preceding year, OBB accounted for ₦685.61 billion or 95.8 per cent, while the unsecured segment recorded ₦30.45 billion or 4.3 per cent. The patronage of OBB transactions in the review period was attributed, largely, to risk aversion by market participants.

4.1.14 Interest Rate Developments

4.1.14.1 Money Market Rates

Movement in money market rates reflected, largely, the level of liquidity in the banking system in the first half of 2019. Liquidity was influenced by the fiscal operations of government; effects of CRR maintenance periods; deposits and settlement for foreign exchange wholesale and retail intervention sales; and maturities of CBN bills. Consequently, the daily inter-bank call rates ranged from 3.00 to 35.00 per cent, while the daily OBB ranged from 1.50 to 60.00 per cent in the review period. The weighted monthly average rates at the call segment was 12.14 per cent in January, peaked at 16.71 per cent in February and declined to 6.88 per cent in June 2019. Similarly, at the OBB segment, the weighted monthly average rate was 17.54 per cent in January, peaked at 18.29 per cent in February and fell significantly to 7.67 per cent in June 2019. The peak recorded at the inter-bank call and the OBB segments rates in February 2019, were attributed to frequent OMO and Naira debits for foreign exchange transactions.

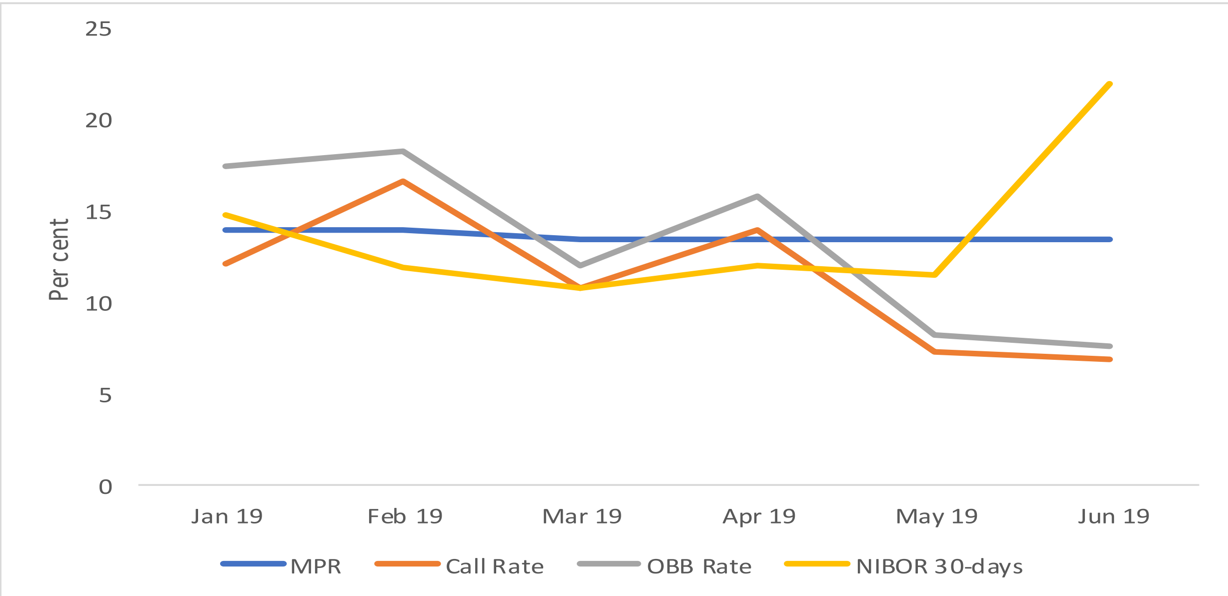
The weighted average monthly inter-bank call and the OBB rate, for the first half of 2019, stood at 11.30 per cent and 13.28 per cent, respectively, compared with 14.64 per cent and 12.46 per cent in the corresponding half of 2018. The weighted average of the Nigeria Inter-Bank Offered Rate (NIBOR) was 13.85 per cent, compared with 14.24 per cent in the corresponding half of 2018.

Table 16
Money Market Rates
(Per cent)

WEIGHTED AVERAGE				
	MPR	Call Rate	OBB Rate	NIBOR 30-days
Jan 19	14.0	12.14	17.54	14.79
Feb 19	14.0	16.71	18.29	11.92
Mar 19	13.5	10.8	12.07	10.83
Apr 19	13.5	13.98	15.87	12.07
May 19	13.5	7.31	8.25	11.51
Jun 19	13.5	6.88	7.67	22.00
Half year 2018	**14.00**	**14.64**	**12.46**	**14.24**
Half year 2019	**13.67**	**11.30**	**13.28**	**13.85**

Source: CBN

Figure 44
Money Market Rates
(Per cent)



Source: CBN

4.1.14.1.1 Deposit Rates

Developments in deposit rates reflected liquidity condition and other market fundamentals in the first half of 2019. The average term deposit rates increased by 0.21 percentage point to 8.77 per cent above its level in the corresponding half of 2018. Rates on deposits of various maturities ranged from 8.56 to 8.77 per cent in the first half of 2019, compared with the range of 8.54 to 9.23 per cent in the first half of 2018. With the year-on-year inflation at 11.23 per cent in June 2018, all deposit rates were negative in real terms.

4.1.14.1.2 Lending Rates

The weighted average prime and maximum lending rates fell by 0.29 and 0.01 percentage point to 16.27 and 30.79 per cent, below 16.57 and 30.80 per cent, respectively, in the first half of 2019. Consequently, the spread between the average term deposits and maximum lending rates widened by 0.22 percentage point to 22.24 per cent.

Table 17
DMBs Deposits and Lending Rates
(Per cent)

Month	Savings	Average Term Deposit Rates	Prime Lending	Maximum Lending	Spread (AVTD-MXLR)
Jan-19	4.07	8.92	16.01	30.48	21.56
Feb-19	4.07	8.93	16.08	30.56	21.63
Mar-19	3.97	8.73	14.92	30.83	22.10
Apr-19	3.91	8.67	18.92	30.89	22.22
May-19	3.91	8.67	15.33	31.07	22.40
Jun-19	3.93	8.69	16.39	30.93	22.44
Average 2018 First Half	**4.18**	**8.56**	**16.57**	**30.80**	**22.02**
Average 2019 First Half	**3.98**	**8.77**	**16.27**	**30.79**	**22.24**

Source: CBN

4.1.15 Institutional Savings

Aggregate financial savings rose by 15.7 per cent to ₦17,151.53 billion in the first half of 2019, compared with ₦14,818.54 billion at the end of the corresponding period of 2018. Commercial and merchant banks remained the dominant depository institutions in the financial system, accounting for 96.2 per cent of total financial savings, compared with 95.2 per cent in the preceding half year. Other saving institutions, namely; PMBs, life insurance companies, pension fund custodians, the Nigerian Social Insurance Trust Fund (NSITF), and MFBs, accounted for the balance.

4.1.16 Other Financial Institutions

4.1.16.1 Development Finance Institutions

Total assets of the seven (7) development finance institutions (DFIs) namely: the Bank of Industry (BOI); the Federal Mortgage Bank of Nigeria (FMBN); the Nigerian Export-Import Bank (NEXIM); the Bank of Agriculture (BOA); the Infrastructure Bank (TIB); the Development Bank of Nigeria (DBN); and the Nigeria Mortgage Refinance Company (NMRC) decreased by 2.6 per cent to ₦1,889.71 billion at end-June 2019, compared with ₦1,939.29 billion at end-December 2018. The development was due, largely, to decline in bank placements and long-term borrowings by the institutions. The paid-up capital, however, remain unchanged at ₦238.78 billion, while the net loans and advances rose by 5.9 per cent to ₦972.56 billion at end-June 2019, compared with ₦918.47 billion at end-December 2018. Aggregate shareholders' funds also increased by 18.6 per cent to ₦298.08 billion at end-June 2019, from ₦248.88 billion at end-December 2018. The increase was due, mainly, to the accretion to reserves by BOI, DBN, and NMRC.

A disaggregation of the total assets by institution indicated that BOI, DBN, FMB, NEXIM, BOA, NMRC and TIB accounted for 56.5, 15.9, 13.1, 6.2, 4.2, 3.8 and 0.3 per cent, respectively, of the total. The BOI, FMBN, DBN, NEXIM, BOA, and NMRC accounted for 66.2, 16.3, 5.4, 4.7, 3.7 and 3.9 per cent, of total net loans and advances, respectively.

4.1.16.2 Microfinance Banks (MFBs)

There were 903 licensed MFBs at end-June 2019, compared with 885 MFBs at end-December 2018. The number comprised nine (9) National MFBs, 136 State MFBs, and 758 Unit MFBs. The increase in the number of MFBs was attributed to the licensing of 18 new MFBs during the review period. Provisional data showed that total assets of the MFBs amounted to ₦417.50 billion at end-June 2019 and represented 1.1 per cent increase over the level at end-December 2018. The shareholders' funds of MFBs increased by 8.0 per cent to ₦105.47 billion at end-June 2019, from ₦97.63 billion at end-December 2018. The increase was attributed, largely, to accretion to reserves from ploughed back profits. The paid-up capital, at ₦62.53 billion at end-June 2019, showed a decrease of 9.1 per cent, below the level at end-December 2018, while total reserves rose by 49.1 per cent to ₦42.94 billion at end-June 2019, compared with ₦28.81 billion at end-December 2018. Total deposit liabilities increased by 2.2 per cent to ₦217.90 billion at end-June 2019, from ₦213.25 billion at end-December 2018. Similarly, total deposit liabilities increased by 2.2 per cent to ₦217.90 billion at end-June 2019 from ₦213.25 billion at end-December 2018.

Investible funds available to the sub-sector, in the review period, amounted to ₦28.05 billion. The funds were sourced mainly from increase in reserves (₦14.13 billion), deposits (₦4.65 billion) and reduction in net loans and advances (₦8.37 billion). The funds were utilised, mainly, in: reduction of other liabilities (₦9.19 billion); settlement of matured long-term loans (₦7.24 billion); and acquisition of short-term investment (₦2.36 billion).

4.1.16.3 Finance Companies (FCs)

The number of licensed finance companies (FCs) increased to 73 at end-June 2019, following the licensing of four (4) additional ones. The total assets and liabilities of the sub-sector decreased by 22.1 per cent to ₦136.04 billion at end-June 2019, compared with ₦174.69 billion at end-December 2018. The decrease in total assets was attributed to the de-listing of 22 FCs, whose operating licences were revoked in 2018. Borrowings decreased by 16.7 per cent to ₦86.48 billion at end-June 2019, from ₦103.82 billion at end-December 2018. Shareholders' funds and fixed assets also decreased by 0.5 and 72.8 per cent, respectively, to ₦23.31 billion and ₦13.35 billion, at end-June 2019, below ₦29.25 billion and ₦49.01 billion at end-December 2018. However, loans and advances increased by 20.3 per cent to ₦63.94 billion at end-June 2019, from ₦53.16 billion at end-December 2018. Similarly, balances with banks, reserves and investments increased by 3.0, 20.3 and 12.3 per cent, respectively, to ₦6.79 billion, ₦6.43 billion and ₦14.60 billion at end-June 2019.

Investible funds available to the sub-sector in the review period amounted to ₦38.14 billion. The funds were sourced, mainly, from additional long-term borrowing (₦23.35 billion), increase in reserves (₦9.61 billion) and other liabilities

(₦1.54 billion). The funds were utilised, mainly, to: increase loans and advances (₦12.26 billion); acquire fixed assets (₦10.93 billion); increase bank balances (₦4.09 billion); and purchase other assets (₦2.23 billion).

Table 18
Key Indicators of Finance Companies at end-June 2019

	June 2019 (₦' billion)	December 2018 (₦' billion)	% Change
Total Assets	136.04	174.69	-22.12
Cash in Vault	0.88	4.71	-81.32
Balances with Banks	6.79	6.59	3.03
Loans and Advances	63.94	53.16	20.28
Borrowings	86.48	103.82	-16.70
Investments	14.60	13.00	12.31
Shareholder's Funds	23.31	29.25	-20.31
Fixed Assets	13.35	49.01	-72.76
Reserves	6.43	12.82	20.28
Paid-up Capital	16.89	16.43	2.80

Source: CBN

4.1.16.4 Primary Mortgage Banks (PMBs)

There were thirty-five (35) licensed operating PMBs at end-June 2019, comprising 12 national and 23 state PMBs, same as at end-December 2018. Total assets of the PMBs decreased, marginally, by 0.9 per cent to ₦447.93 billion at end-June 2019, from ₦451.95 billion at end-December 2018, due largely, to decrease in cash holdings, non-current assets held for sale and investment in quoted shares in the review period. Total loans and advances and investment in quoted shares decreased by 0.3 per cent and 13.3 per cent, to ₦228.86 billion and ₦16.51 billion at end-June 2019, respectively. Shareholders' funds amounted to ₦55.67 billion at end-June 2019, compared with ₦82.99 billion at end-December 2018, indicating a decline of 32.9 per cent. Deposit liabilities, placement with banks and other liabilities rose by 7.0, 7.0 and 7.3 per cent, respectively, to ₦150.24 billion, ₦43.91 billion and ₦166.25 billion.

Investible funds available to the sub-sector amounted to ₦33.24 billion at end-June 2019. The funds were sourced, mainly, from: increase in other liabilities

(₦11.33 billion); deposits mobilisation (₦9.81 billion); and disposal of non-current assets (₦4.96 billion). The funds were utilised, mainly, for decrease in reserves (₦24.83 billion), increase placement with banks (₦2.87 billion) and cash at hand (₦2.49 billion).

Table 19
Key Financial Indicators for Primary Mortgage Banks at end-June 2019

	June 2019 (₦' billion)	December 2018 (₦' billion)	% Change
Total Assets	447.93	451.95	-0.88
Loans and Advances	228.86	229.60	-0.32
Placement with Banks	43.91	41.03	7.0
Investment in Quoted Shares	16.51	19.04	-13.29
Deposit Liabilities	150.24	140.43	6.98
Other Liabilities	166.25	154.92	7.31
Shareholders' funds	55.67	82.99	32.91

Source: CBN

4.1.16.5 Bureaux-De-Change (BDCs)

There were 4,798 BDCs in operation in the first half of 2019, compared with 4,492 at end-December 2018. The increase was due, largely, to the licensing of 306 new BDCs in the review period.

4.1.17 Capital Market Developments

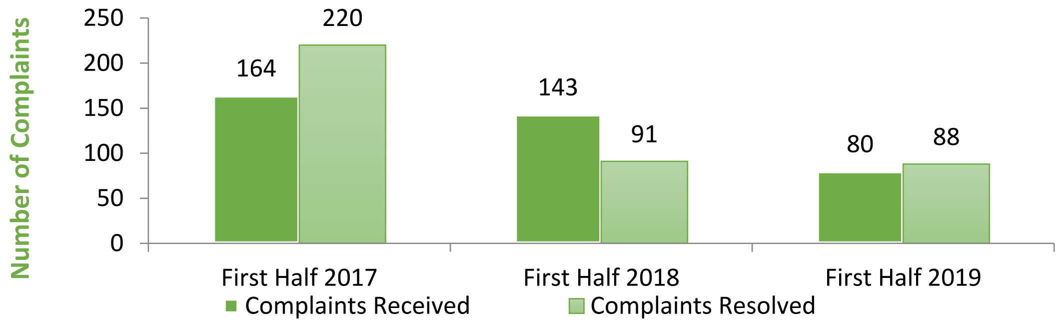
4.1.17.1 Institutional Developments

During the first half of 2019, the Securities and Exchange Commission (SEC) held its first Capital Market Committee (CMC) meeting for the year, on Thursday March 21, 2019. The Forum provided a platform for the discussion of critical issues and decision making, regarding developments in the Nigerian capital market. The Commission also revealed its set of rules on the electronic Initial Public Offering (e-IPO) initiative to facilitate the process of public offerings of securities electronically and reduce marketing time. Furthermore, the SEC sustained its drive to encourage investors, who participated in public offerings, which took place in Nigeria before 2010, to approach their stockbrokers, registrars, bankers and other capital market operators, for guidance on the steps required to regularise those shares and reclaim any accrued dividends. Similarly, engagements continued between the SEC and the Corporate Affairs Commission (CAC) on the matter of getting company Secretaries of unlisted public companies to register their securities. Some unlisted pubic companies were yet to comply.

The Commission, in collaboration with the Republic of Korea, conducted a knowledge-sharing programme on the regulation and operation of derivatives markets in Nigeria, targeted at boosting economic cooperation between the two countries and providing a mutual learning opportunity for regulators. The Commission was finalising its guidelines on derivatives and central counterparties, a necessary step aligned with its plan to introduce financial derivative products in the Nigerian capital market. Other activities undertaken by the SEC during the review period, included:

- Organisation of the 3rd in the series of the annual budget seminar, where the roles of the capital market in effective budget implementation, as well as, implications for the capital market were discussed;
- Resolution of conflict around the transmission of shares related to the estate of deceased investors, wherein an approved operating framework for transmission of shares reduced the timeline for the transmission of deceased's shares from three weeks to one week;
- Inauguration of the Board of the SEC, by the Federal Government of Nigeria, in June 2019. The nine-member Board, under the Chairmanship of Mr. Olufemi Lijadu, was inaugurated by Mr. Mahmoud Isa Dutse, the Permanent Secretary, Federal Ministry of Finance; and
- Recognition of individuals who partnered with the Commission to work in various technical committees, towards achieving the initiatives contained in the SEC 10-year Capital Market Masterplan.

Figure 45
Complaints received and resolved, end-June 2019



Source: Securities and Exchange Commission

4.1.17.2 The Nigerian Stock Exchange (NSE)

The Nigerian Stock Exchange, in the first half of 2019, continued with the implementation of various initiatives to sustain the post-recession rebound of investment activities. The NSE, in collaboration with Afrinvest Securities Limited ("ASL"), launched two new factor indices to serve as benchmarks for measuring value in banking stocks and high dividend stocks listed on the Exchange. These were: the NSE-Afrinvest Banking Value Index (NSE-Afr BVI) and NSE-Afrinvest High Dividend Yield Index (NSE-Afr HDYI). The Exchange also launched two new style indices, namely; the NSE-Meristem Growth Index and NSE-Meristem Value Index. The indices were designed to support product development and investment management, as well as, serve as a benchmark for gauging the value and growth of stocks listed on the Exchange.

In another development, the Exchange in conjunction with the Fund Managers Association of Nigeria (FMAN); Association of Stockbroking Houses of Nigeria (ASHON); and the Central Securities Clearing System (CSCS) Plc, launched the NSE Mutual Fund Trading and Distribution Platform. This was to facilitate electronic transactions with seamless interaction between NSE, CSCS Plc, Fund Managers and Brokers Dealers. Also, the NSE launched its online learning platform, X-Academy, which offers well-structured and comprehensive self-paced capital market learning content.

To deepen the growth of islamic finance in Nigeria, the NSE, in partnership with the REDmoney Group, organised the maiden edition of the IFN Nigeria Forum, themed; "Harnessing the Islamic Finance Sector for Infrastructure Development and Economic Growth".

During the first half of 2019, the NSE listed by introduction on its Premium Board, 20,354,513,050 ordinary shares of the MTN Nigeria Communications Plc, at ₦90 per share. MTN was the first telecommunications company to be listed on the NSE Premium Board, a listing segment for the elite group of issuers that met the Exchange's most stringent corporate governance and listing standards. At end-June 2019, there were eight (8) companies listed on the Premium Board. Similarly, the NSE listed by way of an IPO on the Main Board, 1,353,580,000 ordinary shares of Skyway Aviation Handling Company Plc (SAHCOL Plc), at ₦4.65 per share. SAHCOL Plc was the first company, under the Bureau of Public Enterprises (BPE) privatisation programme, to successfully finalise an IPO and list its shares on the Exchange. The listing of the company's shares added ₦6.29 billion to the market capitalisation of the Exchange and further deepened the Nigerian capital market.

In addition, the NSE in partnership with the Global Reporting Initiative (GRI), unveiled the NSE Sustainability Disclosure Guidelines to address the implementation of sustainability reporting. Furthermore, the Exchange hosted the Sustainability Reporting Implementation Workshop, in partnership with GRI, to facilitate the adoption of the reporting principles by listed companies.

4.1.17.3 The New Issues Market

During the first half of 2019, the SEC and NSE streamlined the issuance process with the listing approval process to eliminate duplication of procedures between the SEC and the NSE.

In the primary segment of the Nigerian capital market, there were twenty-three (23) new issues worth ₦2,057.71 billion in the first half of 2019, compared with twenty-six (26) valued at ₦554.77 billion in the corresponding half year of 2018. The issuance comprised: eight (8) new listings amounting to ₦1,910.88 billion; four (4) memorandum listings (₦2.50 billion); and eleven (11) supplementary listings (₦144.34 billion). In the government segment of the primary market, eighteen (18) new and thirteen (13) supplementary bonds, worth ₦601.12 billion were issued and allotted by the Debt Management Office (DMO) in the review period, compared with sixteen (16) bonds, worth

₦461.08 billion in the corresponding half year of 2018. The major bond listing in the review period was the FGN Eurobonds, worth US$5.37 billion.

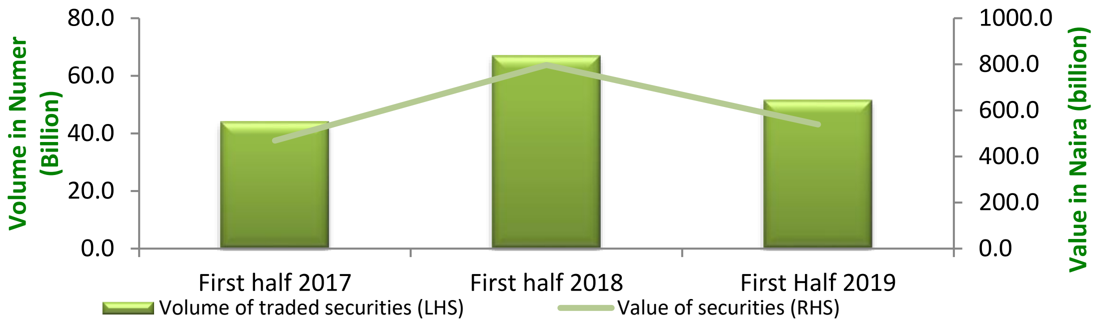
4.1.17.4 The Secondary Market

Rising interest rates in the United States initially posed a major threat to the retention of portfolio investments at the beginning of the review period, owing to investors' appetite for higher returns. However, activities in the market were subsequently driven, largely, by key domestic developments, notably; the listing by introduction of 20.4 billion ordinary shares of telecoms giant, the MTN Nigeria, on the NSE and the 2019 general elections. Thus, the market closed on a mixed note, at the end of the first half of 2019.

The aggregate volume and value of traded securities fell by 23.2 and 32.4 per cent to 51.50 billion shares and ₦538.67 billion, respectively, in 462,809 deals, compared with 67.04 billion shares, valued at ₦797.08 billion, traded in 565,948 deals in the corresponding period of 2018. The equities sub-sector maintained its dominance in the market, accounting for 90.7 and 99.8 per cent of the aggregate volume and value of transactions, respectively, while the debt and Exchange Traded Fund (ETF) segments accounted for the balance. Sectoral analysis of the market indicated that the financial services sector (measured by volume of transactions), remained the most active, accounting for 34.98 billion shares (78.5%), valued at ₦260.20 billion (51.5%), in 270,789 deals, compared with 48.90 billion shares, valued at ₦521.01 billion in 389,926 deals in the first half of 2018. This was followed by the oil & gas and conglomerates sectors.

Analysis of investors' activities in the market showed decline in participation by foreign investors, relative to the first half of 2018. The levels of domestic and foreign investors' participation were 54.2 per cent and 45.8 per cent, as against 50.5 per cent and 49.5 per cent, respectively, in the corresponding half year of 2018.

Figure 46
Volume and Value of Transactions at the NSE



Source: Securities and Exchange Commission (SEC)/Nigerian Stock Exchange (NSE)

4.1.17.5 All-Share Index and Aggregate Market Capitalisation

The NSE All-Share Index was 29,966.87 at end-June 2019, indicating 4.7 and 21.7 per cent decline, relative to 31,430.50 and 38,278.55 at end-December 2018 and end-June 2018, respectively. Aggregate market capitalisation of the 308 listed securities closed at ₦25.73 trillion, indicating an increase of 17.5 and 7.3 per cent above the levels at end-December 2018 and the corresponding period of 2018, respectively. Listed equities accounted for 51.4 per cent of the aggregate market capitalisation, while the debt and ETF components accounted for the balance of 48.6 per cent. The top-twenty (20) most capitalised companies on the Exchange accounted for 89.4 per cent (₦11.82 trillion) of the total equity capitalisation and 45.9 per cent of the aggregate market capitalisation.

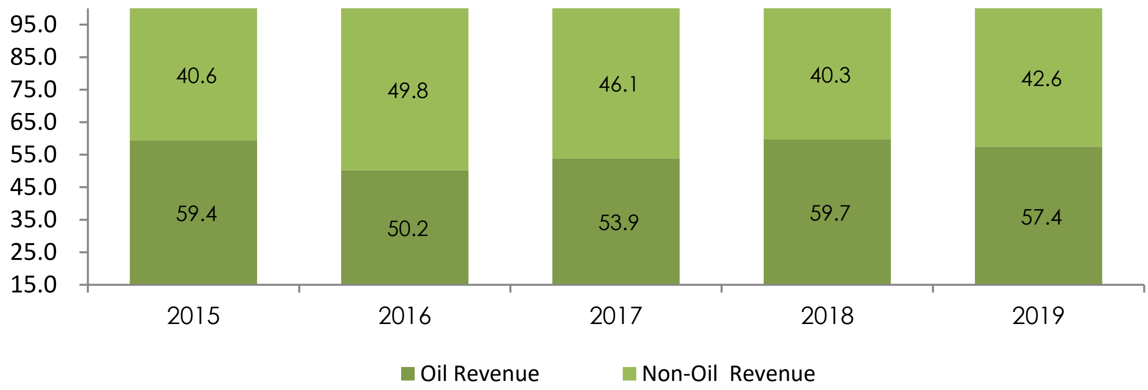
Eight (8) banks made the list of the top-twenty (20) most capitalised companies and accounted for ₦3.08 trillion (23.3%) of the total equity market capitalisation, compared with six (6) banks and 22.9 per cent in the corresponding period of 2018. As a percentage of nominal GDP, aggregate market capitalisation stood at 38.21 per cent at end-June 2019, compared with 40.5 per cent in the corresponding period of 2018.

4.2 FISCAL OPERATIONS

4.2.1 Federation Account Operations

Provisional gross federally-collected revenue[4] in the first half of 2019 stood at ₦4,590.87 billion or 6.9 per cent of GDP. The amount was lower than the half-year budget by 38.6 per cent, but was above the level in the corresponding period of 2018 by 2.1 per cent. The decline in federally-collected revenue, relative to the proportionate budget, was attributed to the shortfall in both oil and non-oil revenue. Of the total revenue, oil constituted 57.4 per cent, while non-oil accounted for the balance of 42.6 per cent.

Figure 47
Structure of Gross Federation Revenue, First Half 2015 - 2019
(Per cent)

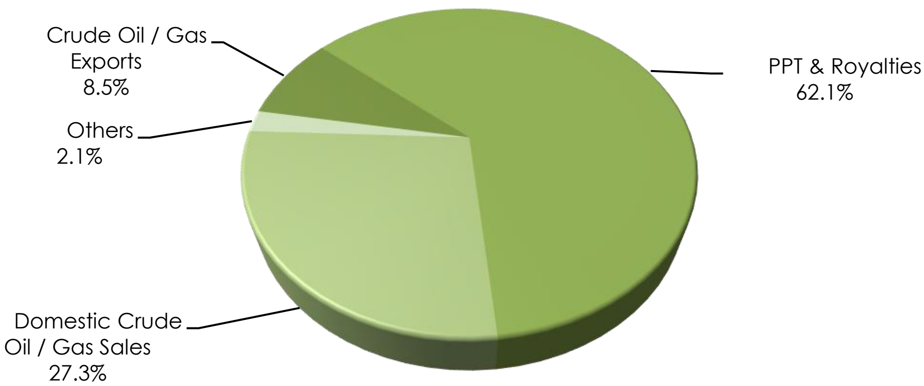


Source: Computation based on data from The Office of Accountant General of the Federation (OAGF) and The Federal Ministry of Finance (FMF)

At ₦2,632.94 billion or 3.9 per cent of GDP, gross oil revenue fell below the proportionate budget and the level in the first half of 2018 by 45.1 and 2.0 per cent, respectively. The drop in oil revenue, relative to the proportionate budget, was attributed to the decline in the volume and price of crude oil during the period. Relative to the budget benchmark of 2.3 million barrels per day (mbd), crude oil production averaged 1.9 mbd. In addition, crude oil exports dropped below the proportionate budget of ₦795.22 billion by ₦571.15 billion or 71.8 per cent. The gross oil revenue comprised: PPT/Royalties, ₦1,635.32 billion (62.1%); Domestic Crude Oil/Gas Sales, ₦717.64 billion (27.3%); Crude Oil and Gas Exports, ₦224.07 billion (8.5%); and "Others", ₦55.91 billion (2.1%), respectively.

4 Earnings lodged in the Federation Account by virtue of Section 161 of the Federal Republic of Nigeria Constitution 1999 as amended

Figure 48
Composition of Oil Revenue, First Half 2019
(Per cent)



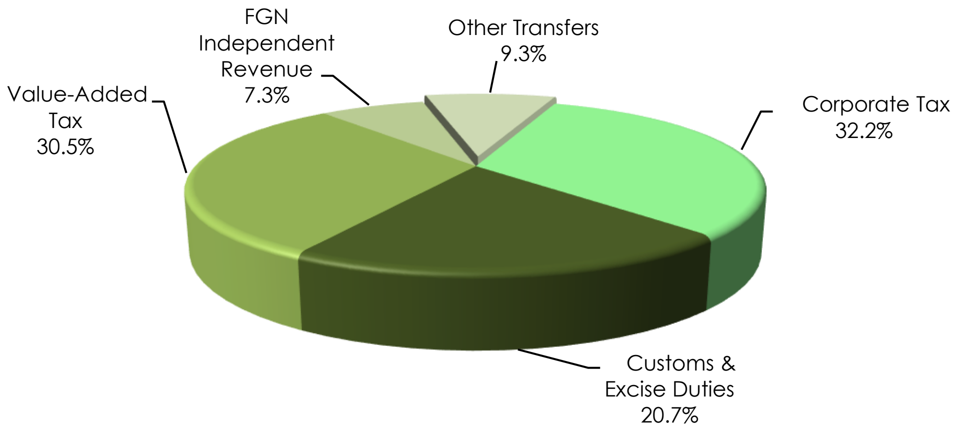
Source: Computation based on data from the OAGF and the FMF

The sum of ₦553.49 billion, ₦24.22 billion and ₦6.31 billion from the gross oil revenue were utilised for the Joint Venture Cash (JVC) calls, cost of collection by the Department of Petroleum Resources (DPR), and Excess Crude Proceeds, respectively, while ₦58.84 billion was transferred to "Others"[5]. The balance of ₦1,990.07 billion was retained in the Federation Account for distribution among the three tiers of government and the 13% Derivation Fund[6].

Gross revenue from non-oil sources, at ₦1,957.93 billion or 2.9 per cent of GDP, was below the proportionate budget by 27.0 per cent, but was above the level in the corresponding period of 2018 by 8.1 per cent. The decline in non-oil revenue, relative to the proportionate budget, was attributed to the fall in most of its components. The gross non-oil revenue comprised: Corporate Tax, ₦629.81 billion (32.2%); Value Added Tax (VAT), ₦597.11 billion (30.5%); Customs and Excise Duties, ₦405.88 billion (20.7%); FGN Independent Revenue, ₦143.55 billion (7.3%); and "Others"[7], ₦181.57 billion (9.3%).

[5] Included Excess Crude Revenue, Excess PPT/Royalty & NNPC Refunds.
[6] Funds set aside for the oil-producing states.
[7] Include Education Tax Fund; Customs Special Levies (Federation and Non-Federation); and National Information Technology Development Fund (NITDF).

Figure 49
Composition of Non-Oil Revenue, First Half 2019
(Per cent)

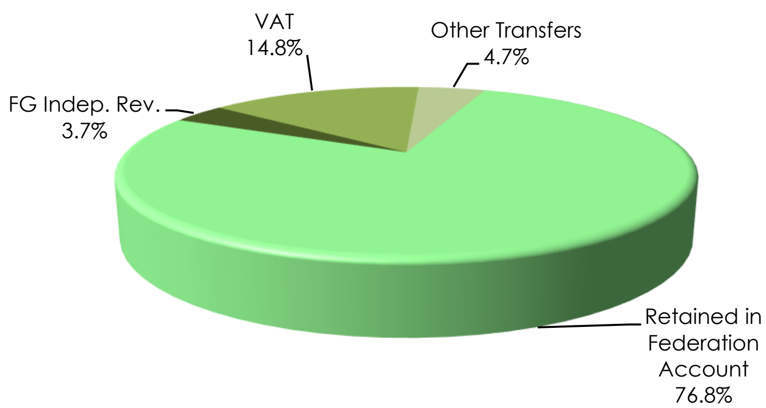


Source: Computation based on data from the OAGF and the FMF

The sum of ₦77.19 billion, was deducted from the non-oil revenue, as combined cost of collection for the Federal Inland Revenue Service (FIRS), Nigeria Customs Service (NCS), and VAT. Also, ₦8.15 billion was deducted as FIRS Tax refunds, leaving a net distributable balance of ₦1,872.60 billion.

Of the ₦3,862.67 billion federally-collected revenue (net) from oil and non-oil sources, ₦573.23 billion (14.8%), ₦181.57 billion (4.7%) and ₦143.55 billion (3.7%), were transferred to the VAT Pool Account, Other Transfers and FG Independent Revenue, respectively. The balance of ₦2,964.32 billion (76.8%) was retained in the Federation Account for distribution to the three tiers of government.

Figure 50
Composition of Federally Collected Revenue (Net), First Half 2019
(Per cent)



Source: Computation based on data from the OAGF and the FMF

4.2.1.1 Federally Collected Revenue Distribution

Distribution from the Federation Account[8] to the three-tiers of government in the first half of 2019 were as follows: Federal Government, ₦1,425.32 billion; states, ₦722.94 billion; and local governments, ₦557.36 billion. The balance of ₦258.71 billion was shared among the oil-producing states as 13% Derivation Fund.

From the Excess Oil Revenue[9], the Federal Government received ₦35.79 billion, the state and local governments received ₦18.15 billion and ₦14.00 billion, respectively; while the 13% Derivation Fund received ₦10.15 billion, bringing the total to ₦78.09 billion. Furthermore, from the Exchange Rate Differential Account the sum of ₦49.26 billion was drawn to augment the shortfall in budgeted revenue and shared as exchange gain as follows: The Federal Government, ₦22.62 billion; states, ₦11.47 billion; local governments, ₦8.85 billion; and the 13% Derivation Fund, ₦6.31 billion.

In addition, the sum of ₦12.14 billion was shared as Non-Oil Excess Revenue[10] with the Federal Government receiving ₦6.40 billion, while the state and local governments received ₦3.24 billion, and ₦2.50 billion, respectively.

4.2.1.2 VAT Pool Account[11]

A total of ₦573.23 billion accrued to the VAT Pool Account in the first half of 2019, representing a decrease of 30.0 per cent below the proportionate budget for the fiscal year. The amount was distributed among the three-tiers of government as follows: Federal Government, ₦85.98 billion; state governments, ₦286.61 billion; and local governments, ₦200.63 billion.

4.2.1.3 Cumulative Distribution

Total statutory revenue distributed to the three-tiers of government and the 13% Derivation Fund amounted to ₦3,677.03 billion in the first half of 2019. This was below the proportionate budget of ₦6,544.00 billion and the ₦3,823.26 billion distributed in the first half of 2018 by 43.8 and 3.8 per cent, respectively.

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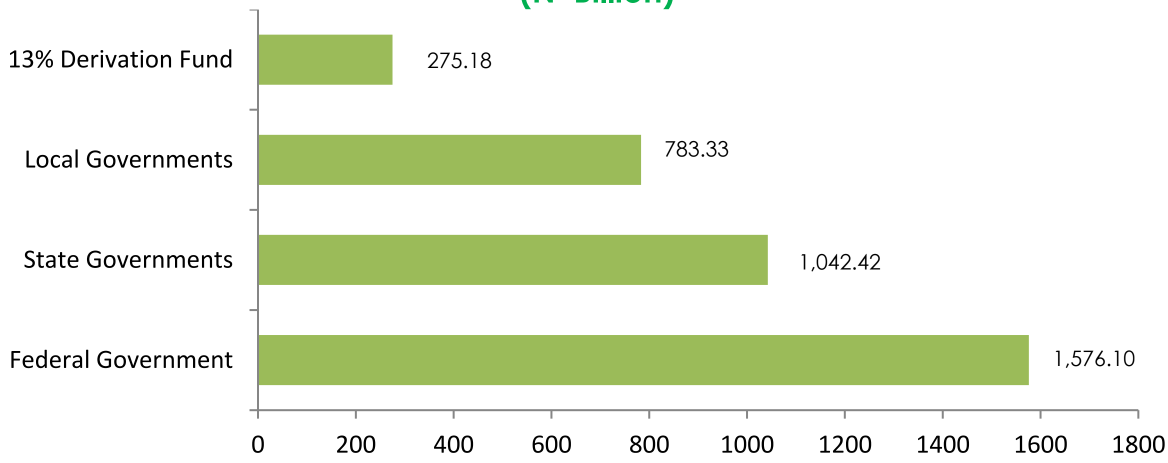
[8] Shared as follows: Federal, including Special Funds (52.68%); States (26.72%); and local governments (20.0%)
[9] Includes Excess Crude, Goods and Valuable Consideration, and Additional revenue from NNPC.
[10] Include Excess Bank Charges and other non-mineral revenue
[11] Shared as follows: Federal (15.0%); States (50.0%); and local governments (35.0%)

A breakdown showed that the Federal Government, state and local governments, as well as, the 13% Derivation Fund received; ₦1,576.10 billion, ₦1,042.42 billion, ₦783.33 billion and ₦275.18 billion, respectively.

Figure 51
Cumulative Distribution to the Three Tiers of Government and 13% Derivation Fund, First Half 2019
(₦' Billion)



Source: Computation based on data from the OAGF and the FMF

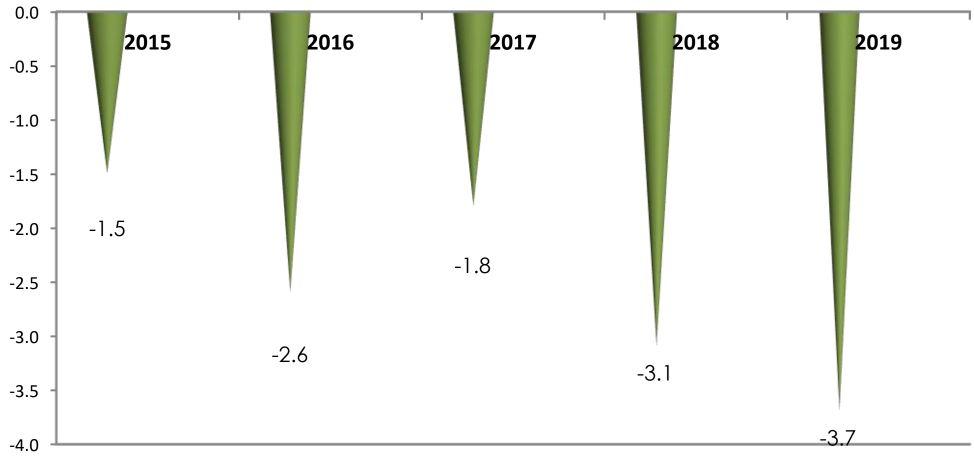
A further breakdown showed that the amount distributed, comprised: Federation Account (including 13% derivation fund), ₦2,964.32 billion (80.6%); VAT Pool Account, ₦573.23 billion (15.6%); and other statutory revenue (including Exchange Gain, Excess Oil and Non-Oil Excess Revenue), ₦139.48 billion (3.8%).

4.2.2 Federal Government Finances

4.2.2.1 Federal Government Fiscal Balance

Provisional data showed that the fiscal operations of the Federal Government, in the first half of 2019, resulted in an overall deficit of ₦2,501.10 billion or 3.7 per cent of GDP, compared with the proportionate budget and the corresponding period of 2018 at ₦959.24 billion (1.4% of GDP) and ₦1,860.06 billion (3.1% of GDP), respectively. The deficit was financed from domestic source.

Figure 52
FGN Fiscal Deficit, First Half 2015 - 2019
(% of GDP)



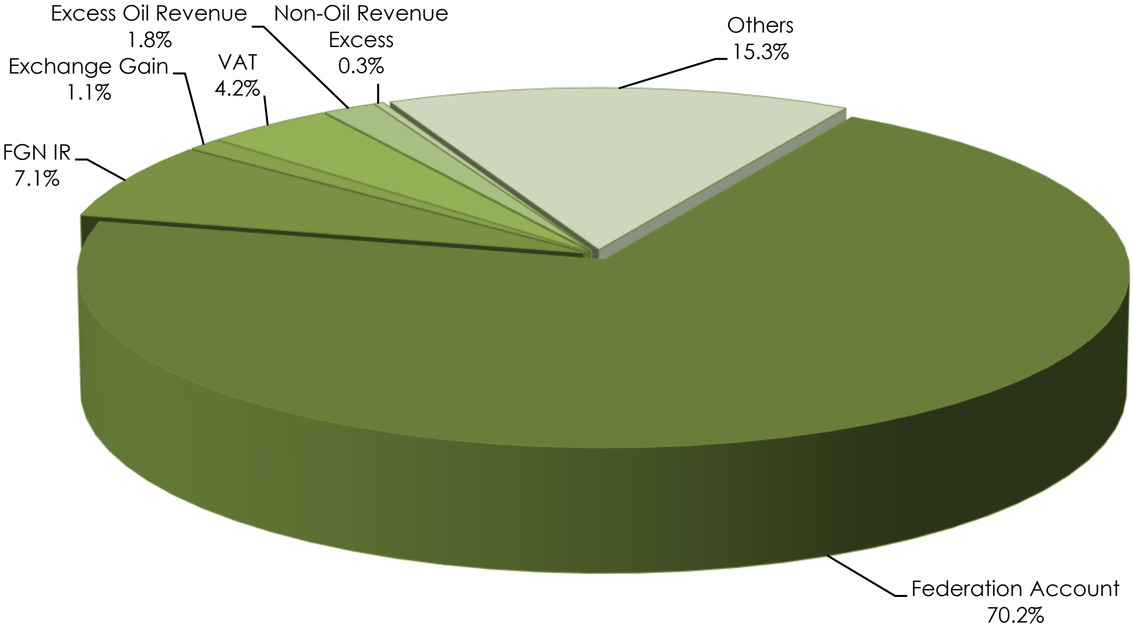
Source: Computation based on data from the OAGF and the FMF

4.2.2.2 Federal Government Retained Revenue

At ₦2,030.15 billion or 3.0 per cent of GDP, provisional retained revenue of the Federal Government was lower than the proportionate budget by 52.0 per cent, but was above the level in the first half of 2018 by 1.2 per cent. The development, relative to the proportionate budget, was attributed to the drop in all its components. A breakdown of the retained revenue showed that the share from the Federation Account was ₦1,425.32 billion (70.2%); Federal Government Independent Revenue, ₦143.55 billion (7.1%); VAT Pool Account, ₦85.98 billion (4.2%); Excess Oil Revenue, ₦35.79 billion (1.8%); Exchange Gain, ₦22.62 billion (1.1%); Non-Oil Excess Revenue, ₦6.40 billion (0.3%) and 'Others'[12], ₦310.49 billion (15.3%).

[12] Include revenues from Special Accounts

Figure 53
Composition of Federal Government Retained Revenue, First Half 2019
(Per cent)

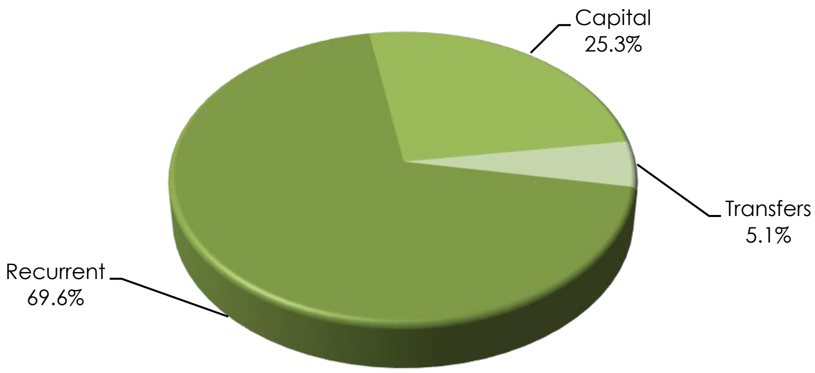


Source: Computation based on data from the OAGF and the FMF

4.2.2.3 Federal Government Expenditure

Provisional data indicated that the aggregate expenditure of the Federal Government in the first half of 2019 was ₦4,531.24 billion or 6.8 per cent of GDP. This was below the proportionate budget by 12.7 per cent, but was above the level in the corresponding period of 2018 by 17.2 per cent. The development, relative to the proportionate budget, was as a result of the decline in all the expenditure components. Non-debt expenditure was below the proportionate budget by 20.0 per cent and constituted 45.1 per cent of total expenditure. Total interest payments amounted to ₦1,109.10 billion, representing 54.6 and 24.5 per cent of FGN retained revenue and total expenditure, respectively.

Figure 54
Composition of Federal Government Expenditure, First Half 2019
(Per cent)



Source: Computation based on data from the OAGF

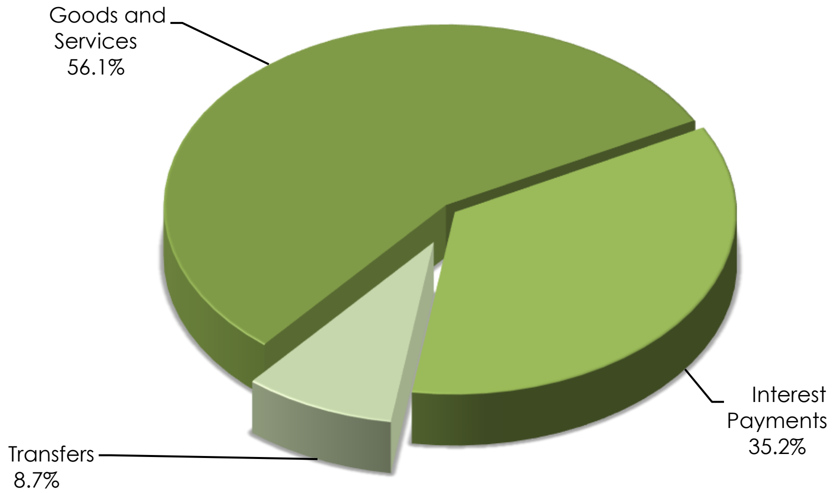
At ₦3,152.60 billion, recurrent expenditure fell by 14.4 per cent below the half year budget and accounted for 69.6 per cent of total expenditure. As a percentage of GDP, recurrent expenditure was 4.7 per cent, compared with 4.6 per cent in the first half of 2018. A breakdown of the recurrent expenditure showed that the goods and services component, at ₦1,769.74 billion or 56.1 per cent of the total, fell below the proportionate budget by 21.4 per cent, owing to the decline in all its components. Further analysis of the goods and services component showed that personnel cost accounted for ₦1,123.31 billion (63.5%), while overhead cost and pension accounted for ₦499.07 billion (28.2%) and ₦147.36 billion (8.3%), respectively.

Interest payments[13], at 35.2 per cent of total recurrent expenditure or 1.7 per cent of GDP, fell by 1.6 per cent to ₦1,109.10 billion, compared with the proportionate budget of ₦1,127.01 billion. Of this amount, ₦906.94 billion (81.8%) was expended on domestic debt service, while the balance of ₦202.16 billion (18.2%) was for external debt service. Transfers to special funds (FCT, Stabilisation Fund, Development of Natural Resources and Ecology Fund)

[13]Include interest payments on CBN Overdraft.

and "Others" accounted for ₦273.75 billion or 8.7 per cent of total recurrent expenditure.

Figure 55
Economic Classification of FG Recurrent Expenditure, First Half 2019
(Per cent)



Source: Computation based on data from the OAGF

Analysis of recurrent expenditure on a functional basis, showed that outlay on Administration was ₦890.28 billion and constituted 28.2 per cent of total recurrent expenditure. Relative to the level in the corresponding period of 2018, it rose by 13.5 per cent, due to the increase in allocation to all the key sub-sectors. Similarly, expenditure on Social Services increased by 13.1 per cent to ₦489.96 billion, and constituted 15.5 per cent of the total. Economic Services and Transfers also rose by 21.4 per cent and 16.6 per cent to ₦242.14 billion and ₦1,530.22 billion and constituted 7.7 and 48.5 per cent of the total, respectively.

Capital expenditure at ₦1,148.48 billion or 1.7 per cent of GDP and 25.3 per cent of total expenditure, was below the proportionate budget by 8.8 per cent, reflecting the slow pace of capital releases in the period. As a proportion of Federal Government retained revenue, capital expenditure, at 56.6 per cent, was above the stipulated minimum target of 20.0 per cent under the revised WAMZ secondary convergence criteria.

Analysis of capital expenditure by function showed that outlay in the Economic Services Sector was ₦470.04 billion or 40.9 per cent of the total. Administration and public investments in Social Services accounted for 38.7 per cent apiece, while Transfers constituted 4.5 per cent of the total.

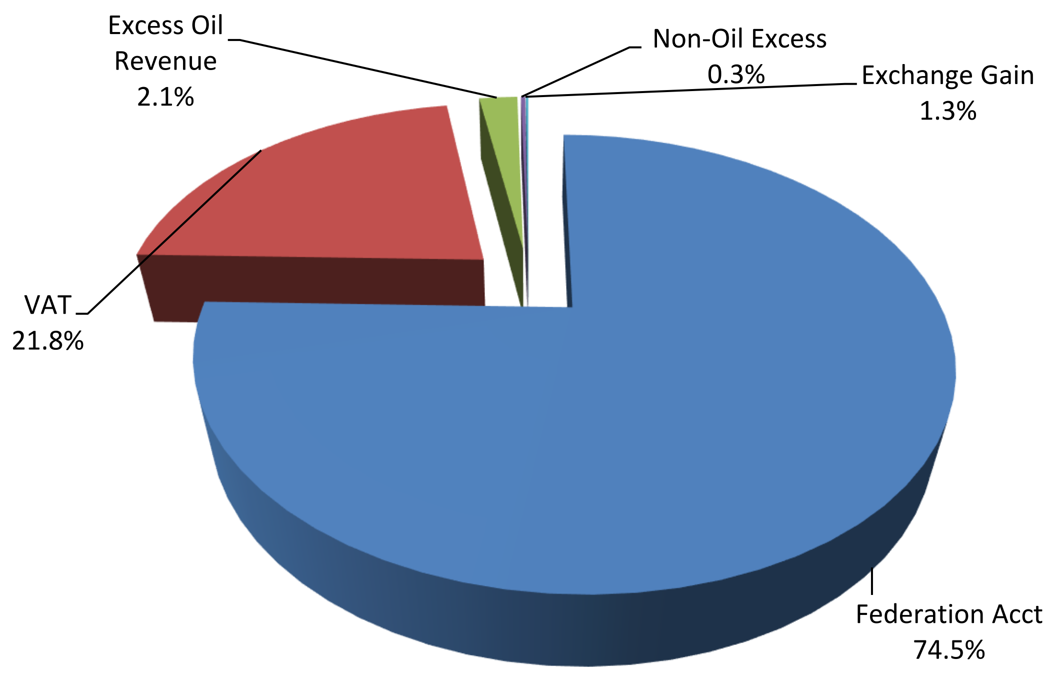
Statutory Transfers, at ₦230.16 billion or 0.3 per cent of GDP, fell by 8.3 per cent, relative to the proportionate budget and accounted for 5.1 per cent of total expenditure.

4.2.3 State Government Finances

Aggregate statutory allocation to state governments from the Federation Account, Excess Oil[14], Non-oil Excess, Exchange Gain[15] and VAT Pool Account amounted to ₦1,317.59 billion in the first half of 2019. This was 44.1 and 4.2 per cent below the proportionate budget and the level in the corresponding period of 2018, respectively. A breakdown showed that allocation from the Federation Account was ₦981.65 billion (74.5%); VAT Pool Account, ₦286.61 billion (21.8%); Excess Oil Revenue, ₦28.30 billion (2.1%); Exchange Gain, ₦17.79 billion (1.3%); and Non-oil Excess ₦3.24 billion (0.3%).

Figure 56
Composition of Total Allocation to State Governments, First Half 2019
(Per cent)

[14] Includes Excess Crude, Goods and Valuable Consideration, and Additional fund from NNPC.
[15] Federation account, Excess Oil and Exchange gain includes allocation to the 13% Derivation Fund.



Source: Computation based on data from the FMF

The sum of ₦164.59 billion was deducted as state governments' contractual obligations[16] from their share of the Federation Account, leaving a net distributable balance of ₦817.06 billion. Of the net sum, ₦558.35 billion was distributed to the 36 states of the Federation and the balance of ₦258.71 billion, being 13% Derivation Fund, was allocated to the oil-producing states.

Of the total allocation to state governments from the Excess Oil Revenue and Exchange Gain Accounts, ₦10.15 billion and ₦6.31 billion, respectively, were shared to the oil-producing states as 13% Derivation Fund. Overall, the net aggregate statutory allocation to state governments amounted to ₦1,153.01 billion.

Allocation to the states from the VAT Pool Account increased by 11.8 per cent above the level in the first half of 2018, while that of the Federation Account fell by 9.1 per cent. Consequently, the net statutory allocation to states (including the 13% Derivation Fund) was 9.2 per cent below the level in the first half of 2018. Thus, aggregate net allocation to state governments was 4.8 per cent, below the level in the first half of 2018. Further analysis of the state

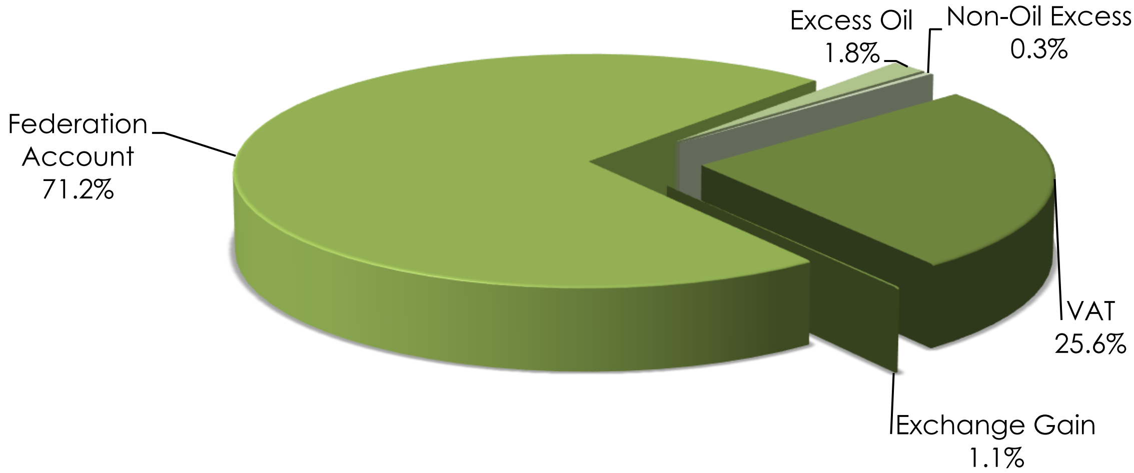
[16] Included contribution to external debt service fund, payments for fertilizer, State Agricultural Project, National Fadama Project and the National Agricultural Technology Support Programme.

governments' aggregate allocation showed that Delta, Akwa Ibom, and Lagos received 8.6, 6.9 and 6.2 per cent of the total, respectively. Conversely Ebonyi, Kwara and Ekiti states received the least with 1.8 per cent apiece.

4.2.4 Local Government Finances

Provisional data showed that the aggregate statutory allocation to the 774 local governments from the Federation, VAT Pool, Exchange Gain, Excess Oil and Non-oil Excess Accounts, was ₦783.33 billion in the first half of 2019, indicating a decrease of 33.5 per cent, below the proportionate budget. A breakdown showed that allocation from the Federation Account was ₦557.36 billion (71.2%); VAT Pool Account, ₦200.63 billion (25.6%); Excess Oil Revenue Account, ₦13.99 billion (1.8%); Exchange Gain, ₦8.85 billion (1.1%); and Non-oil Excess Revenue Account, ₦2.50 billion (0.3%). Allocation to local governments on state basis indicated that Lagos ranked highest with 6.5 per cent followed by Kano with 5.6 per cent, and Katsina with 4.1 per cent of the total. Conversely, Ebonyi, Gombe and Bayelsa ranked lowest with 1.6, 1.5 and 1.1 per cent, respectively.

Figure 57
Composition of Statutory Allocation to Local Governments, First Half 2019 (Per cent)



Source: Computation based on data from the FMF

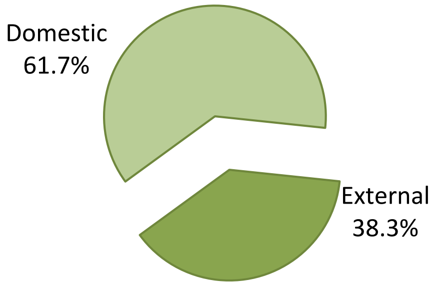
4.2.5 Public Debt

4.2.5.1 Consolidated Federal Government Debt

The consolidated debt stock of the Federal Government in the first half of 2019, stood at ₦21,735.43 billion or 16.3 per cent of GDP, indicating an increase of

5.9 per cent over the level at end-December 2018. Of the total debt stock, domestic debt was ₦13,412.80 billion or 61.7 per cent, while external debt amounted to ₦8,322.63 billion (US$27.16 billion) or 38.3 per cent of the total.

Figure 58
Composition of Federal Government Consolidated Debt, End-March 2019 (Per cent)



Source: Computation based on data from the Debt Management Office (DMO)

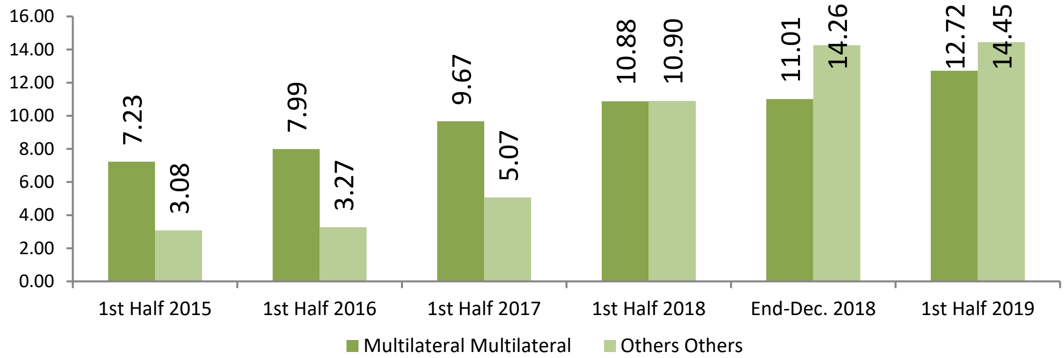
4.2.5.1.1 Domestic Debt

At ₦13,412.80 billion or 10.0 per cent of GDP, the Federal Government securitised domestic debt at end-June 2019 was above the level at end-December 2018 by 5.0 per cent. The increase was due to the issuance of additional FGN Bonds, Promissory notes and Green Bonds amounting to ₦356.68 billion, ₦376.48 billion and ₦15.00 billion, respectively. Consequently, the stock of FGN Bonds increased by 4.2 per cent to ₦9,723.67 billion, compared with the level at end-December 2018. The holdings of the total outstanding domestic debt instruments were: banking system, including Sinking Fund (68.2%); and non-bank public (31.8%).

4.2.5.1.2 External Debt

The total external debt stock (Federal and states, including the Federal Capital Territory) at end-June 2019 was US$27.16 billion or 6.2 per cent of GDP. This represented an increase of 7.5 per cent above the level at end-December 2018, reflecting additional drawdown on multilateral and bilateral loans of US$1.70 billion and US$0.19 billion for the funding of infrastructure and the redemption of matured domestic securities. A decomposition by holders indicated that 46.8 and 41.1 per cent of total debt stock were obligations to the multilateral and commercial creditors, respectively, while the balance of 12.1 per cent was for bilateral creditors.

Figure 59
Breakdown of External Debt Stock, First Half 2015 - 2019
(US$ Billion)

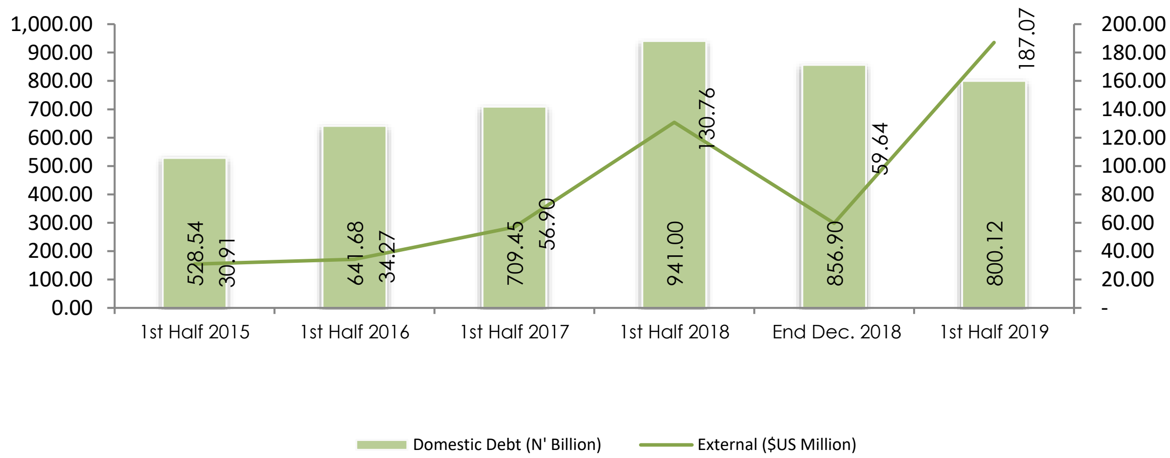


Sources: The Debt Management Office (DMO)

4.2.5.2 Total Debt Service

The consolidated debt service of the Federal Government at end-June 2019 stood at ₦987.19 billion or 1.2 per cent of GDP, an increase of 7.7 per cent above the level at end-December 2018. It however fell by 7.9 per cent below the level in the first half of 2018. A breakdown showed that ₦800.12 billion or 81.0 per cent of the total was expended on domestic debt service, while external debt service accounted for the balance of ₦187.07 billion or 19.0 per cent. Further analysis of the debt service showed that ₦951.22 billion was spent on interest payment, while principal repayments amounted to ₦35.86 billion.

Figure 60
Breakdown of External Debt Service, First Half 2015 - 2019
(₦' Billion)

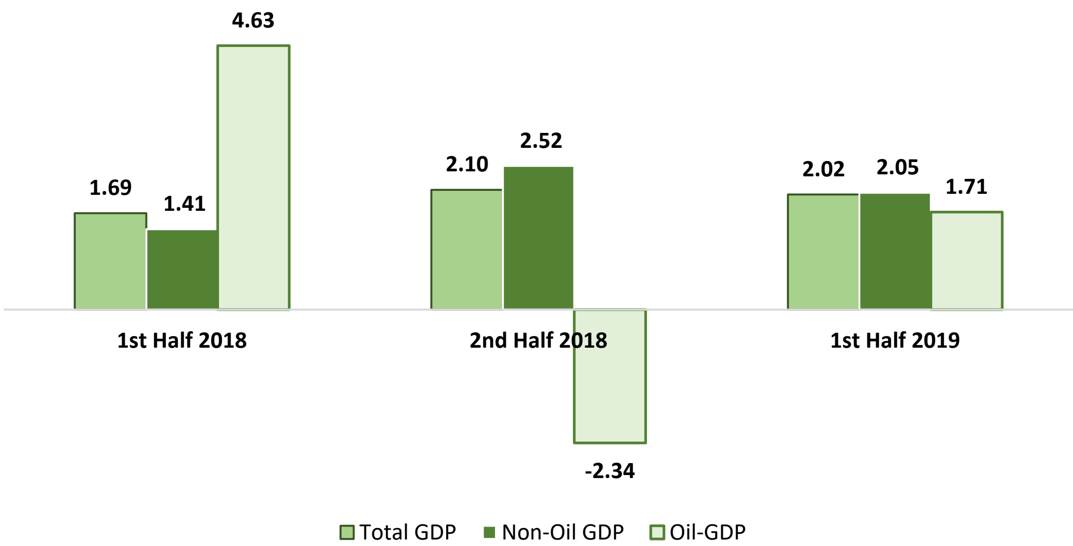


Source: Computation based on data from the DMO

4.3 REAL SECTOR DEVELOPMENTS

Economic activities in first half of 2019 maintained a modest growth with sustain growth in both oil and non-oil sectors. Data from the National Bureau of Statistics (NBS) indicated that, the gross domestic product (GDP), at 2010 constant basic prices, grew by 2.02 per cent in the first half of 2019, relative to 1.69 per cent in the corresponding period of 2018. Oil and non-oil sector output grew by 1.71 and 2.05 per cent, respectively, during the period, compared with 4.63 and 1.41 per cent in the corresponding period of 2018. On a quarter-on-quarter basis, the economy witnessed a slower growth of 1.94 per cent in real terms in Q2: 2019 compared with 2.10 per cent in the first quarter of the year. The development was driven by the non-oil sector, which grew by 2.05 per cent, due mainly to the relative stability in the foreign exchange market, improved business climate, as well as, sustained investment in infrastructure, and improved political environment owing to the successful completion of 2019 general elections. The growth in the oil sector was attributed to the sustained peace deal in the Niger Delta which ensured improved oil output.

Figure 61
GDP Growth Rate
(Per cent)



Source: National Bureau of Statistics (NBS)

4.3.1 Agriculture

4.3.1.1 Agricultural Policies and Institutional Support

The Federal Government continued to demonstrate commitment to the agricultural sector as an anchor for diversifying the economy. At the 43rd Meeting of the National Council on Agriculture and Rural Development (NCARD) the following initiativs were approved, among others:

- The adoption of the Gender Action Plan for Agriculture, which was to support and empower women farmers to move from subsistence to commercial farming. An allocation of 35.0 per cent of all subsidised resources to female value chain actors was proposed in the Plan;
- The adoption of the Draft National Policy on Agricultural Extension. It mandated the Federal Ministry of Agriculture and Rural Development (FMARD) to follow-up on the legislative process to ensure enactment by the National Assembly. This would, among other things, guide and regulate effective extension and advisory services delivery in the country; and
- The recapitalisation of the Nigerian Agricultural Insurance Corporation (NAIC), in view of the need to provide adequate resources to enable the Corporation meet its obligations, as contained in the NAIC Act of 1993.

Towards reviving the oil palm sector, the Central Bank of Nigeria (CBN) entered into partnership with eleven (11) oil palm producing states for disbursement of loan at not more than 9.0 per cent interest rate. The states were to provide at least 100 hectares of arable land for the take-off of the Initiative.

To boost rice production in the country, the German government, in collaboration with the Bill and Melinda Gates Foundation, provided €2.0 million for the implementation of the second phase of the Competitive African Rice Initiative (CARI) in the country. The Project focused on the rice value chain to help small-holder farmers to increase their income and provide high-quality rice grains to the country.

The Nigerian Institute for Oceanography and Marine Research (NIOMR) during the review period, organised a capacity training on aquacultural programme for youths from Oyo North. The training tagged "Value Capacity Building on Aquaculture for Youths and Women", focused on aquaculture production and fish post-harvest technology. The objective of the Programme was to build the capacity of youths and women, thereby reducing unemployment.

To support the Federal Government's plans to resettle herdsmen and end the farmers/herders clashes in the country, the Niger State Government proposed to invest ₦30.0 billion in a 31,000 hectares grazing reserves. The Reserves which would be located in Bobii village, in Mariga Local Government Area, would be equipped with a veterinary hospital, two dams, health care facility, grass growing fields, settlement areas for the herders, milk processing factory, abattoir and a well-equipped school for the children of the herdsmen.

The Federal Government approved the release of the pod borer resistant cowpea (popularly called beans) to farmers. The cowpea variety was developed by the Institute for Agricultural Research (IAR), Ahmadu Bello University, Zaria. Its introduction would improve the average national productivity from 10kg/hectare to 350kg/hectare and help to bridge the deficit in the national cowpea demand by about 500,000 tonnes.

4.3.1.2 Agricultural Production and Prices

Provisional data indicated that, at 137.6 (2010=100), the index of agricultural production in the first half of 2019 grew by 2.5 per cent, above 134.3 in the corresponding period of 2018. The performance was attributed to concerted efforts of the Federal Government, the CBN and other stakeholders towards achieving the desired transformation in the agricultural sector.

The output of the crops, which comprised staples and other crops, fishery, forestry, and livestock sub-sectors grew by 2.6, 4.1, 2.7 and 0.4 per cent, respectively. The improvement was due, largely, to the increased access to CBN's interventions, particularly, Commercial Agricultural Credit Scheme (CACS) and Anchor Borrower Programme (ABP), and the implementation of the Livestock Transformation Plan.

Survey by the CBN on the domestic retail prices of 12 selected agricultural commodities, indicated that the prices of 8 of the commodities declined, relative to their levels in the first half of 2018. The price decrease ranged from 1.9 per cent for sweet potatoes, to 57.8 per cent for cashew nut. This was attributed to improved supply of the commodities, owing to the implementation of various government policies and CBN interventions in the agricultural sector. However, the price of rice, sorghum, millet and yam tubers increased by 13.1, 3.6, 2.2 and 2.1 per cent, respectively.

Provisional data indicated that at 74.5 (2010=100) (dollar-based), all-commodities price index of Nigeria’s major agricultural export in the first half of 2019 declined by 5.3 per cent, compared with 78.6 in the corresponding period of 2018. The price decrease ranged from 2.6 per cent for groundnut to 13.9 per cent for soya beans. The price of soya beans, in particular, continued to be undermined by the trade dispute between China and the US. Favourable weather conditions also contributed to fall in price. However, the price of rubber and wheat increased by 1.9 and 1.3 per cent, respectively. The price of rubber maintained a steady increase following the implementation of the Agreed Export Tonnage Scheme by top producers in a bid to reverse the plummeting price. Thailand, Malaysia, and Indonesia had curbed rubber exports by 240,000 tonnes since April 2019.

4.3.2 Industry

4.3.2.1 Industrial Policy and Institutional Support

During the review period, the Federal Executive Council (FEC) approved the extension of the CBN’s Nigerian Electricity Market Stabilization Facility (NEMSF) to cover the shortfall that might arise after the bulk traders (NBET) settled the power Generating Companies (GenCos). The shortfalls, to be paid by the Federal Government, would be converted to loans and paid back to the CBN.

The Nigerian Electricity Regulatory Commission (NERC) issued a license to Green Energy International Limited (GEIL) for the generation of 40 megawatts of electricity during the period. The power plant would feed Otakikpo Industrial Park in Rivers State. Also, approval was given for the commencement of the

Meter Asset Providers (MAP) Programme to enhance the delivery of pre-paid meters to electricity consumers across the country.

To support the Federal Government's efforts at increasing access to electricity, the African Development Bank Group (AfDB) approved US$200.00 million to boost Nigeria's Off-Grid Expansion Programme, being implemented by the Rural Electrification Agency (REA). The Project has four components including: solar hybrid mini grids for rural economic development; stand-alone solar systems for homes and enterprises, as well as, technical assistance. The Project would power households, MSMEs, and Federal universities, including teaching hospitals.

The Transmission Company of Nigeria (TCN), under its Transmission Rehabilitation and Expansion Program (TREP) received US$245.00 million financial package from the French Development Agency (AFD). The Fund was granted for the expansion of the electricity grid in the northern part of the country, and the West African Power Pool (WAPP) North Core. The WAPP North Core would connect Niger Republic, Benin Republic and Burkina Faso to a 330 kilovolt (KV) Double Circuit (DC) transmission line.

The Federal Government signed an agreement with the Africa Export and Import Bank (AFREXIM), Africa Finance Corporation (AFC), African Development Bank (AfDB), Bank of Industry (BOI), and the Nigerian Sovereign Investment Authority (NSIA), under the implementation of the Made in Nigeria for Exports (MINE) project. The Agreement would foster industrial activities in the country and boost export earnings from made in Nigeria products. Under the Project, three locations were designated as special economic zones (SEZ) for the take-off. These were: Enyimba Economic City, in Abia State; Funtua Cotton Cluster in Katsina State; and Lekki Model Industrial Park in Lagos State. The Project would boost manufacturing contribution to GDP by 20.0 per cent, generate export earnings of US$30.0 billion annually and create 1.5 million new jobs by 2025.

The Presidential Enabling Business Environment Council (PEBEC) commenced the fourth 60-day National Action Plan (NAP 4.0) on Ease of Doing Business

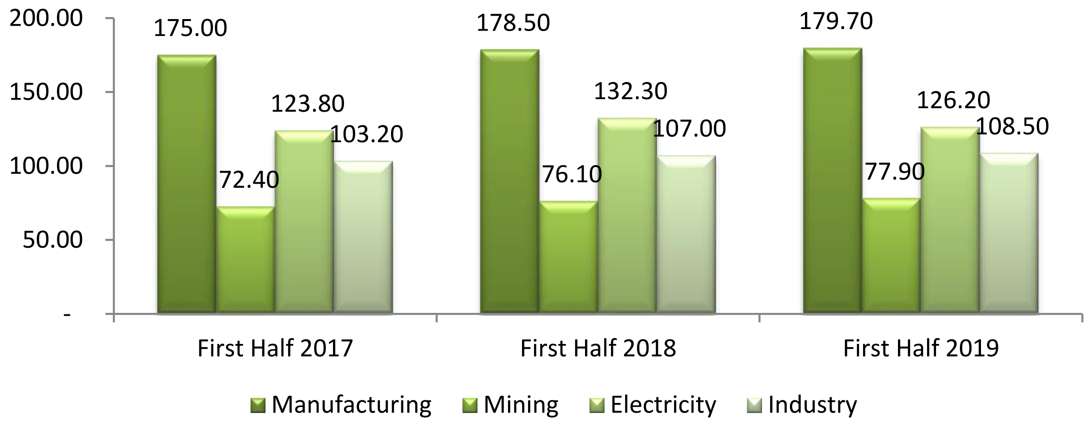
(EoDB). The NAP 4.0, was aimed at further reducing the challenges encountered by the SMEs and businesses in identified areas, such as, business start-ups, access to credit, tax, enforcing contracts within and across borders, among others. The 4th National Action Plan would strengthen ongoing reform, and improve the ease of doing business.

To revive the textile industry and create jobs for Nigerians, the CBN in partnership with the National Cotton Association of Nigeria, engaged 100,000 cotton farmers to cultivate 100,000 hectares for the 2019 season. This was aimed at improving cotton production from about 80,000 tonnes in 2018 to over 300,000 tonnes by 2020. During the period, the CBN inaugurated the Textile Revival Implementation Committee, consisting of representatives from the Bank, Kaduna State Government, Ministries of Power, Works and Housing, Finance, Agriculture and Rural Development, Industry, Trade and Investment, and the Nigeria Customs Service. The Committee was mandated to revamp the cotton, garment and textile sector in Nigeria.

4.3.2.2 Industrial Production

Available data indicated increased activities in the industrial sector in the first half of 2019. At 108.5 (2010=100), the index of industrial production rose by 4.7 per cent, above the level in the corresponding period of 2018. The development was attributed, largely, to improved performance in the manufacturing and mining sub-sectors.

Figure 62
Industrial Production Index
(First Half 2017 - 2019, 2010=100)



Source: Computed based on data obtained from NBS and Manufacturing Association of Nigeria (MAN)

4.3.2.3 Manufacturing

At 179.7 (2010=100), the estimated index of manufacturing production in the first half of 2019, rose by 0.7 per cent, above 178.5 in the corresponding period of 2018. The improvement was, largely, due to increase in new orders, moderation in input prices and enhanced access to foreign exchange by manufacturers.

4.3.3 Crude Oil

4.3.3.1 Policy and Institutional Support

In the first half of 2019, Nigeria and the Island of São Tomé and Principe, through their Joint Oil Zone Organisation, signed a new Production Sharing Contract (PSC) with the Total E&P (Exploration and Production) Nigeria Limited for the exploration of over 500 million barrels of crude oil. The exploration would begin in three blocks, 7, 8 and 11, located within the hydrocarbon-rich Joint Development Zone (JDZ), owned by both countries in the Gulf of Guinea.

Similarly, the NNPC and its production sharing partners signed the Heads of Term Agreement (HOT) for the development of the Bonga Main and Bonga South West fields in OML 118. The Project was operated by SNEPCo with the Esso Exploration & Production Nigeria (Deep-water) Limited, Total E&P Nigeria Limited, and the Nigerian Agip Exploration Limited as co-ventures. The Project has the capacity to increase Nigeria's daily crude oil production by over 225,000 barrels.

Nigeria's effort at ensuring local sufficiency in refined petroleum products was bolstered with the commencement of the first phase of the rehabilitation of the Port Harcourt Refinery Complex, which has a capacity of 210,000 barrels per day. The Complex comprised the 60,000 barrels per day (old refinery built in 1965) and the 150,000 barrels per day (newer refinery, commissioned in 1989). The Project was being executed by the Milan-based Maire Tecnimont S.P.A, in collaboration with its Nigerian affiliate, Tecnimont Nigeria.

The Nigerian National Petroleum Corporation (NNPC), in collaboration with the Economic and Financial Crimes Commission (EFCC), commenced the tracking of Nigeria's crude oil output and movements of vessels lifting crude oil from the country. The tracking system would help the Corporation to collect information on the vessels to determine the owners, the various loading points, the deadweight, and the volume of crude oil lifted from the country. The tracking system would be extended to the downstream sector to determine the volume of premium motor spirit (PMS) imported, the quantity of products and the depots the commodities are stored up to the point of retail.

Similarly, to curb illegal oil bunkering on Nigeria's waters ways, the Department of Petroleum Resources (DPR) developed the Automatic Identification System (AIS) to track maritime vessels (ocean going vessels) carrying commodities. The system enables the Agency to ascertain in real time, the volume and source of products shipped across the globe. The crude oil and gas tracking system provides data on the movement and operations of vessels that include loading, cargo details, ship details, destinations (country/continent), discharges and trade activities.

Also, the DPR, during the review period, developed the National Production Monitoring System (NPMS), a crude oil and gas accounting solution. This system would help the country to account for crude oil and gas produced before export and also block all the leakages in oil and gas operations. It would also ensure transparency, curb crude oil theft and help the country to ascertain its daily production.

The Federal Government, through the Federal Ministry of Environment, commenced the verification of the Environmental and Social Impact Assessment Draft Report of the proposed Edo Modular Refinery, being promoted by Edo Refinery and Petrochemicals Company Limited. The Refinery has capacity to refine about 6000 barrels per day. The proposed project was planned to be implemented in two phases with 1,000 and 5,000 barrels capacity per day.

4.3.3.2 Crude Oil Production and Demand

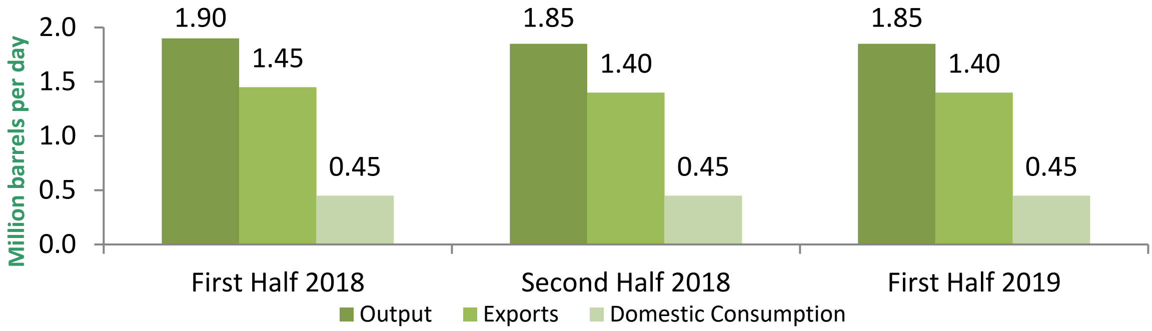
Aggregate crude oil production, including natural gas liquids (NGLs) and condensates by the Organisation of Petroleum Exporting Countries (OPEC), averaged 35.02 million barrels per day (mbd) in the first half of 2019. This represented a decrease of 3.9 and 4.9 per cent, below the levels in the preceding and the corresponding periods of 2018, respectively. The development was due, largely, to the extended 1.2 mbd OPEC-led supply cut decision with allied oil-producing nations to stabilise the market.

Non-OPEC supply was estimated at an average of 63.72 mbd, indicating a 3.8 per cent increase above the corresponding period of 2018. The development was attributed, mainly, to higher production by the US, Brazil, China, and Australia. Total world supply averaged 98.74 mbd, indicating a marginal increase of 1.0 per cent above the level in the first half of 2018.

World crude oil demand was estimated at an average of 99.0 mbd, compared with 97.96 mbd in the corresponding period of 2018, representing an increase of 1.1 per cent. Of this, demand from the Organisation for Economic Co-operation and Development (OECD) countries was 47.8 per cent, while non-OECD countries accounted for the balance. The increase in World oil demand, during the review period, was attributed to increase from the OECD region, especially OECD America, due to growth in their petrochemical sector. In addition, rising demand in the transportation sector of 'Other Asia' and China accounted for the increase in global demand.

At an average daily production of 1.85 mbd or 334.9 million barrels (mb), Nigeria's crude oil output decreased by 0.05 mbd or 2.6 per cent below the level in the corresponding half of 2018. The development was attributed to pipeline disruptions and subsequent closure for the maintenance of major oil installations in the Niger-Delta region. Aggregate export of crude oil was estimated at 1.40 mbd or 253.4 mb, compared with 1.5 mbd or 271.5 mb in the corresponding period of 2018.

Figure 63
Crude Oil Production and Exports

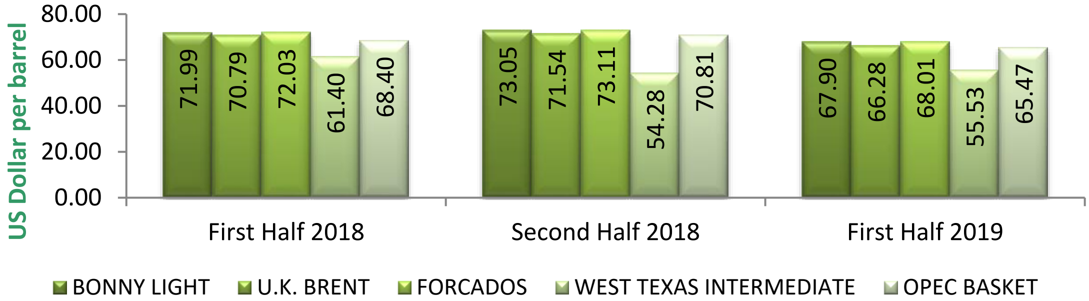


Source: Nigerian National Petroleum Corporation (NNPC)

4.3.3.3 Crude Oil Prices

The average spot price of Nigeria's reference crude, the Bonny Light (37° API), at US$67.90 per barrel, in the first half of 2019, decreased by 5.7 per cent, below its level in the first half of 2018. Similarly, the average prices of the West Texas Intermediate, the UK Brent, the Forcados and the OPEC Basket relative to the levels in the first half of 2018, fell by 9.6, 6.4, 5.6, and 4.3 per cent to US$55.53, US$66.28, US$68.01 and US$65.47 per barrel, respectively. The development was driven, mainly, by growing concerns about the global economic growth and oil demand outlook, amid intensifying trade tensions between the US and China, rising US crude oil inventories and sustained high levels of US oil supply.

Figure 64
Average Spot Prices of Selected Crudes



Source: *Reuters*

4.3.4 Refinery Utilisation

The estimated average capacity utilisation of the three (3) refineries was 5.08 per cent in the first half of 2019, compared with below 18.6 per cent in the corresponding period of 2018. 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 1.44, 13.21, and 0.58 per cent, respectively.

Aggregate production of petroleum products from the refineries was estimated at 6.1 million tonnes in the first half of 2019, compared with 3.9 million metric tonnes recorded in the corresponding period of 2018. The development was attributed to sustained seasonal maintenance, which began in 2016, improved the efficiency of the refineries. Analysis of products by refinery showed that the WRPC produced 5.7 million tonnes, while the PHRC and the KRPC produced 0.18 and 0.24 million tonnes, respectively. Of the total, PMS accounted for the largest share at 31.1 per cent, while the shares of Automotive Gas Oil (AGO), fuel oil, Dual Purpose Kerosene (DPK), fuel and losses, Liquefied Petroleum Gas (LPG), and Asphalt were 22.8, 21.6, 14.1, 6.3, 3.7 and 0.4 per cent, respectively.

4.3.5 Gas

4.3.5.1 Policy and Institutional Support

The Nigerian National Petroleum Corporation (NNPC) took a major step in attaining sufficiency in domestic gas supply with the execution of Final

Investment Decision (FID) on the development of the 4.3 trillion cubic feet Assa North/Ohaji South Fields (ANOH) in OML 21 with its Joint Venture partners, which include: Shell Petroleum Development Company (SPDC), Total Exploration and Production Nigeria (TEPNG) and Nigeria Agip Oil Company (NAOC). The Project, would add about 600 million standard cubic feet of gas per day (mmscfd) to the national gas grid with capacity to expand to 1.2 billion cubic feet per day. The ANOH project, a major gas supply hub in Nigeria's gas-infrastructure network, would provide the linkage between the Eastern, Western and Northern gas pipeline system in the country.

In the review period, the Nigeria LNG Limited (NLNG) and Nigerian Content Development Monitoring Board (NCDMB) signed the Development Plan for Nigeria Content for NLNG's Train 7 Project. The Project includes the design, engineering, procurement, expediting, transportation, management, construction, installation, pre-commissioning and start up support, and acceptance testing of an expansion to the existing NLNG facility. Furthermore, the Project would deepen Nigerian content in line with the Nigerian Oil and Gas Industry Content Development (NOGICD) Act and also ramp up NLNG's production by 35.0 per cent from 22 million tonnes per annum (MTPA) to 30 MTPA.

4.3.6 Solid Minerals

4.3.6.1 Policy and Institutional Support

To curb the activities of armed bandits and illicit miners in Zamfara State, the Federal Government suspended all forms of mining activities in the State and ordered foreign miners to vacate mining sites. The operation was aimed at restoring law and order in the affected communities.

In the review period, the Extractive Industries Transparency Initiative (EITI) ranked Nigeria as the first Anglophone African country to have made "Satisfactory Progress" in the implementation of all the requirements of the EITI standards to entrench transparency in government and company systems. Under the EITI standards, the member countries were assessed on multi-stakeholders governance oversight, licenses and contracts, monitoring production, revenue collection, socio-economic contribution, and outcomes as well as impact.

The Canadian mineral exploration company, Thor Exploration, signed a construction, engineering and procurement contract worth US$67.5 million with the Norinco International Cooperation Limited, for its gold project in Nigeria-Segilola Gold Project. The Plant would produce 650,000 tonnes of gold ore per annum.

To further boost the performance of the solid mineral sub-sector, the Federal Government invested ₦15.0 billion to upgrade a Geo-Science Data Bank that would place the country on the world mining map. The Project would generate detailed report that would serve as enabler in locating the vast mineral resources available in Nigeria.

4.3.6.2 Solid Minerals Production

Provisional data from the Federal Ministry of Mines and Steel Development indicated that solid minerals production in the first half of 2019 increased by 41.8 per cent above the level in the corresponding period of 2018, to 32.37 million tonnes. The increase in production of principal minerals such as clay, coal, granite dust and talc accounted for the rise.

4.3.7 Electricity Generation

Average electricity generation, estimated at 4,092.62 MW/h, increased by 7.4 per cent, in the first half of 2019, above with 3,811.18 MW/h in the first half of 2018. This was attributed, largely, to improvement in gas supply to thermal plants, better water management and enhanced transmission infrastructure.

4.3.8 Electricity Consumption

Average electricity consumed, in the review period, was estimated at 3,098.40 MW/h. This represented an increase of 1.5 per cent, above the level in the corresponding period of 2018. The increase in consumption was attributed to the improvement in transmission and distribution infrastructure.

4.3.9 Industrial Financing

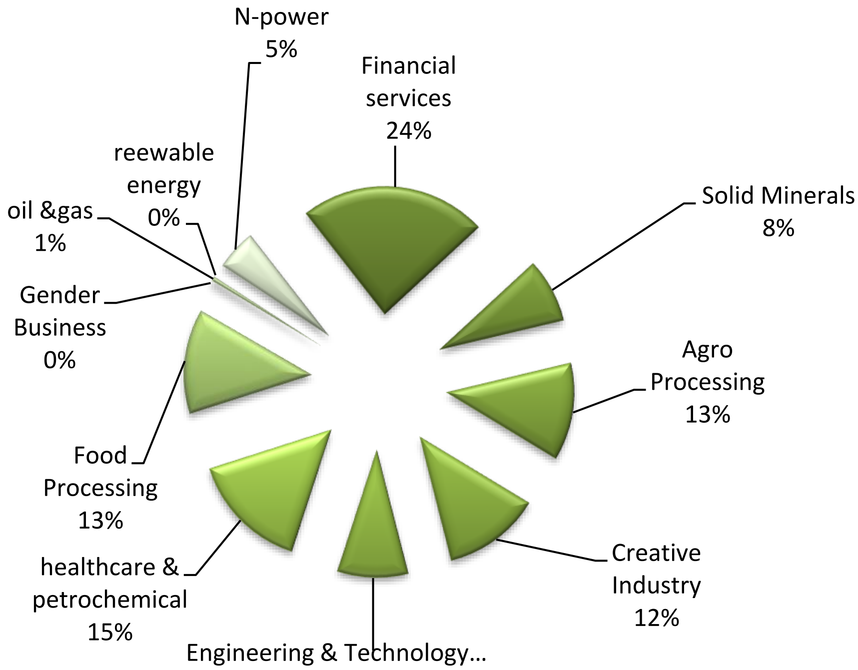
4.3.9.1 The Bank of Industry (BOI)

The total credit disbursed to the industrial sector under the Bank's various facilities in the first half of 2019 fell by 14.7 per cent, to ₦96.9 billion, compared with ₦113.54 billion in the corresponding period of 2018.

A sectoral breakdown of the disbursements showed that the financial services sector received ₦23.0 billion, representing 23.7 per cent of the total, followed by the healthcare and petrochemicals sub-sector, with ₦14.6 billion, or 15.1 per cent. The sum of ₦12.9 billion, or 13.3 per cent was disbursed through food processing, while ; agro processing, creativity industry, engineering and technology, solid minerals and N-power received ₦12.0 billion or 12.38 per cent, ₦12.0 billion or 12.38 per cent, ₦8.7 billion or 8.9 per cent, ₦7.9 billion or 8.2 per cent and ₦5.0 billion or 5.2 per cent respectively, among others.

Of the total, large enterprises received ₦62.1 billion, representing 64.1 per cent, while small and medium enterprises accounted for ₦34.8 billion, representing 35.9 per cent of the total.

Figure 65
Sectoral Disbursement of BOI Loans, First Half 2019

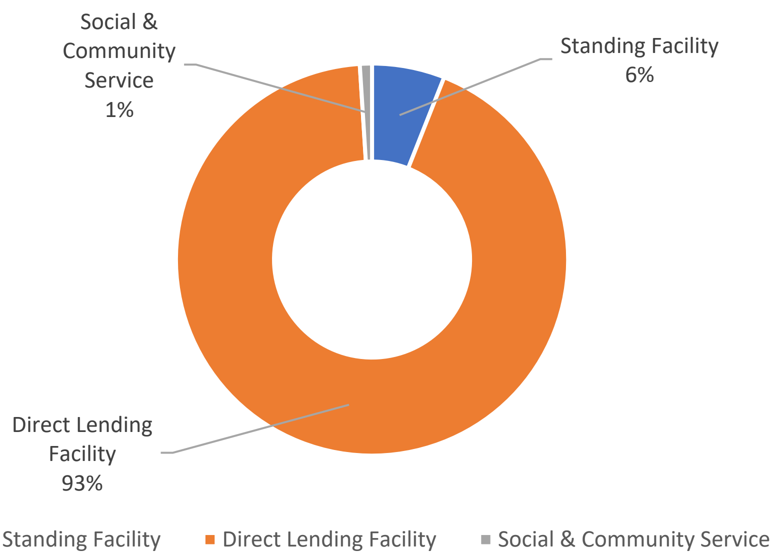


Source: *Bank of Industry BOI*

4.3.9.2 The Nigerian Export-Import Bank (NEXIM)

The total funding support provided to the non-oil export sector, under various facilities of NEXIM in the first half of 2019, was ₦14.50 million for twenty four (24) projects, compared with ₦37.29 million disbursed in 2018 for one (1) project. The development was attributed to the ongoing restructuring of the Bank's funding model. The Facility was, however, disbursed under the export development fund (EDF).

Figure 66
NEXIM's Credit Disbursements by Facility, First Half 2019



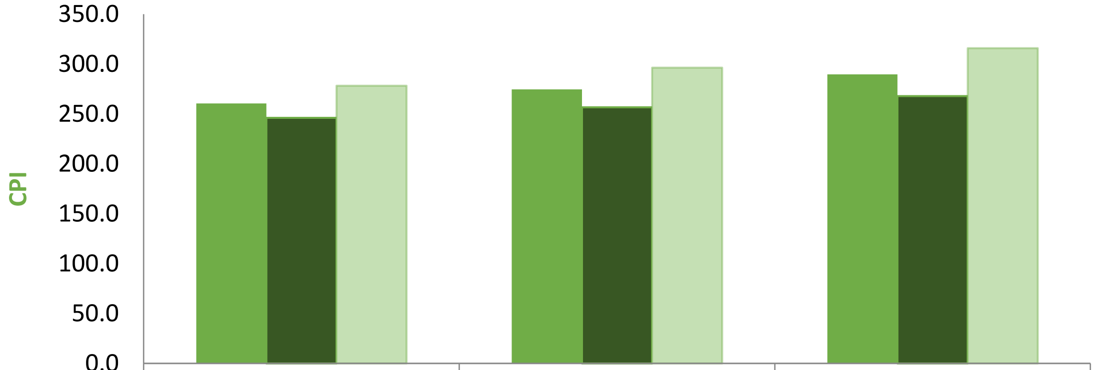
A sectoral analysis of the distribution showed that the Agriculture Sector had the highest amount of ₦13.47 million, representing 93 per cent of the total. This was followed by the Manufacturing sector, with ₦0.92 million or 6 per cent, and Solid minerals with ₦0.12 million or 1 per cent.

4.3.10 Consumer Prices

Consumer prices declined for most part of the period under review, except for the months of April and May 2019. The all-items composite consumer price index (CPI) was 289.7 (November 2009=100) at end-June 2019, compared with 274.6 and 260.5 at end-December 2018 and end-June 2018, respectively. The all-items less farm produce CPI was 267.9 at end-June 2019, compared with

256.7 and 246.1 at end-December 2018 and end-June 2018, respectively. The Food CPI was 316.0 at end-June 2019, compared with 296.4 at end-December 2018 and 278.2 at end-June 2018.

Figure 66
Consumer Price Indices
(November 2009 = 100)



	1st Half 2018	2nd Half 2018	1st Half 2019
headline	260.5	274.6	289.7
core	246.1	256.7	267.9
food	278.2	296.4	316.0

Source: NBS

4.3.10.1 Headline Inflation

The year-on-year headline inflation declined steadily for most months of the first half of 2019, except for April and May 2019, which recorded slight increase in the rates. After initial increase, during the period, the rate declined to 11.22 per cent, at end-June 2019, compared with 11.44 and 11.23 per cent at end-December 2018 and end-June 2018, respectively. Similarly, the 12-month moving average inflation maintained a steady decline throughout the review period, as it decreased to 11.30 per cent at end-June 2019, from 12.1 and 14.37 per cent at end-December 2018 and end-June 2018, respectively. The observed fall in headline inflation was attributed to the decline in the core component of the CPI.

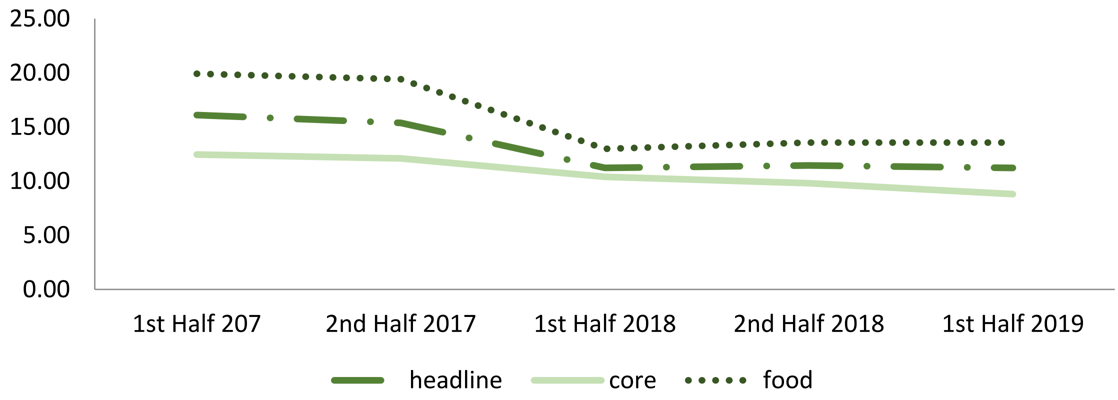
4.3.10.2 Core Inflation

The year-on-year core inflation (all-items less farm produce) declined consistently during the first half of 2019, exhibiting the same trend as in the second and first halves of 2018 (except in October 2018). The rate was 8.8 per cent at end-June 2019, down from 9.8 and 10.4 per cent at end-December 2018 and end-June 2018, respectively. Core inflation, on a 12-month moving average basis, also showed a similar trend, as it declined to 9.64 per cent at end-June 2019, compared with 10.51 per cent at end-December 2018 and 11.65 per cent at end-June 2018. The persistent decline in core inflation was attributed to the moderation in exchange rate pass-through to domestic prices.

4.3.10.3 Food Inflation

The year-on-year food inflation maintained a downward trend in the first half of 2019, except in April and May 2019. It was 13.56 per cent at end-June 2019, same as in end-December 2018. It, however, increased compared with 12.98 per cent recorded in June 2018. On 12-month moving average basis, food inflation declined during the period, as the rate fell to 13.42 per cent at end-June 2019, compared with 14.35 and 17.75 per cent at end-December 2018 and end-June 2018, respectively. The decline in food inflation, during the period, was attributed to increased output, arising from sustained intervention in the Agriculture sector, such as the Anchor Borrowers' Programme (ABP) of the CBN and the implementation of the Agricultural Input Mechanisation Scheme (AMIS), which improved input supply to farmers.

Figure 67
Inflation Rate
(Year-on-Year, Per cent)



Source: NBS

4.3.10.4 Urban and Rural Consumer Price Indices and Inflation

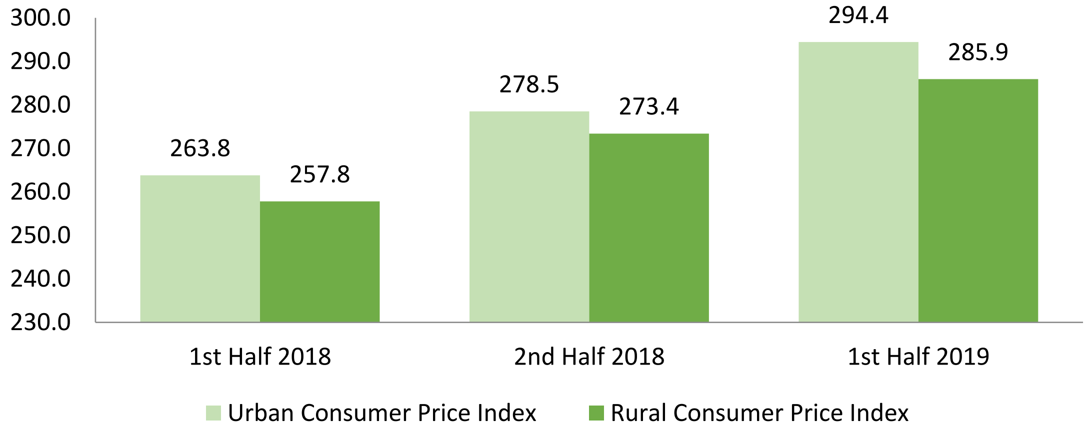
The all-items urban CPI increased to 294.4 at end-June 2019, compared with 278.5 and 263.8 at end-December 2018 and end-June 2018, respectively. The development was attributed, majorly, to the increase in the prices of the urban core and food components of the CPI. Accordingly, the year-on-year urban inflation declined to 11.61 per cent at end-June 2019, compared with 11.73 and 11.68 per cent at end-December 2018 and end-June 2018, respectively.

Similarly, the all-items rural CPI rose to 285.9 at end-June 2019, compared with 271.4 at end-December 2018 and 257.8 at end-June 2018. The development was attributed, largely, to the increase in the prices of the rural core and food components of the CPI. Consequently, the year-on-year rural inflation declined to 10.87 per cent at end-June 2019, compared with 11.18 and 10.83 per cent at end-December 2018 and end-June 2018, respectively. Urban headline inflation was higher than the rural headline inflation by 0.74 percentage point in the period under review.

Urban core inflation declined to 9.62 per cent at end-June 2019, compared with 10.09 per cent at end-December 2018 and 10.83 per cent at end-June 2018. Urban food inflation was 14.40 per cent at end-June 2019, compared with 14.19 and 13.69 per cent at end-December 2018 and end-June 2018, respectively.

Rural core inflation fell to 8.2 per cent at end-June 2019, compared with 9.5 per cent at end-December 2018 and 10.0 per cent at end-June 2018. Rural food inflation was 12.9 per cent at end-June 2019, compared with 13.0 and 12.3 per cent at end-December 2018 and end-June 2018, respectively.

Figure 68
Urban and Rural Consumer Price Indices
(November 2009 = 100)



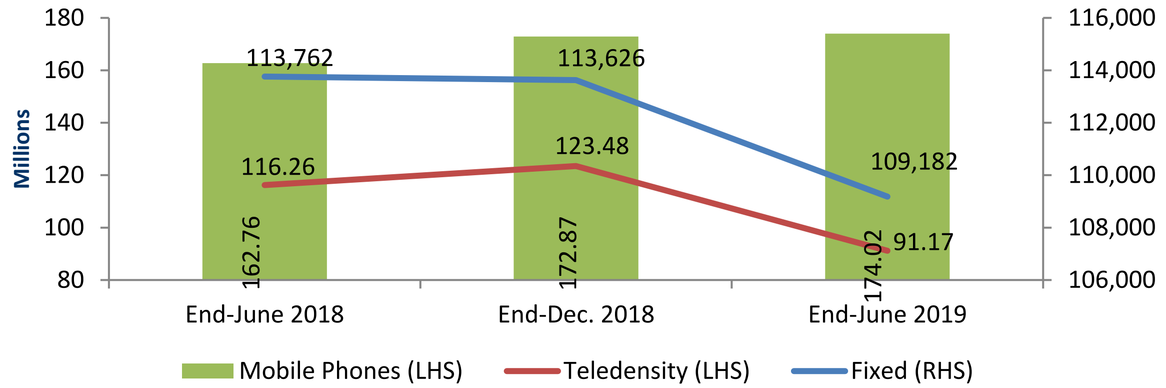
Source: NBS

4.3.11 Communications

In the review period, MTN had been listed on the Nigerian Stock Exchange for the first time in its operations in Nigeria. This development would drive growth in the Communications sub-sector of the Nigerian economy because other mobile operators would be encouraged to get listed.

Digital mobile lines continued to drive growth in the communications sector during the review period. Data from the Nigerian Communications Commission (NCC) showed that the number of active telephone lines was 174.0 million at end-June 2019, compared with 172.9 million and 162.8 million at end-December and end-June 2018, respectively. This represented increase of 0.64 and 6.88 per cent, relative to the preceding and corresponding periods of 2018, respectively. In addition, the number of internet users in the country increased to 122.3 million at end-June 2019, compared with 102.8 million at end-June 2018. Teledensity, at 91.17 per 100 inhabitants at end-June 2019, decreased by 25.09 per cent, below the 116.26 per 100 inhabitants recorded at end-June 2018. Teledensity in Nigeria moved below the International Telecommunication Union (ITU) minimum standard of 1:100 because from March 2019, Teledensity was calculated based on a population estimate of 190 million, up from 140 million hitherto.

Figure 69
Total Active Lines and Teledensity



Source: Nigerian Communication Commission (NCC)

4.3.12 Transportation

The Federal Government during the review period, issued Executive Order 007 of 2019 on the Road Infrastructure Development and Refurbishment Investment Tax Credit Scheme. The Executive Order provided mechanisms for groups of investors to pool funds together to invest in road projects directly and jointly through special purpose vehicles or in collaboration with institutional investors such as Pension Fund Administrators, Collective Investment Schemes, Insurance Companies and Investment Banks. These measures were adopted by the Federal Government to enhance the ease of accessibility to the Scheme's benefits by prospective Investors. Under the pilot phase of the scheme, six private sector players in the construction industry would execute the Executive Order. They include Dangote Industries Limited, Lafarge Africa Plc, Unilever Nigeria Plc, Flour Mills of Nigeria Plc, Nigeria LNG Limited, and China Road and Bridge Corporation Nigeria Limited. These investors showed interest in investing on 19 eligible road projects, totalling 794.4km, which have been prioritised in 11 states across each of the six geo-political zones.

4.3.12.1 Aviation Services

4.3.12.1.1 Domestic Operations

According to the Federal Airports Authority of Nigeria (FAAN), a total of 5,186,775 passengers were airlifted by domestic airlines in the first half of 2019. This represented a 13.6 per cent decrease below the 6,003,642 passengers airlifted in the corresponding period of 2018. Total aircraft movement for the first half of 2019 was 90,689 representing a decrease of 22.2 per cent below the 116,569 recorded in the corresponding period of 2018.

4.3.12.1.2 International Operations

The number of passengers airlifted by airlines on international routes in the first half of 2019 increased by 13.1 per cent to 2,316,182, compared with 2,048,299 in the first half of 2018. Aircraft movement also declined by 8.5 per cent to 19,114 in the review period, compared with 20,894 in the corresponding period of the preceding year.

Cargo movement at designated airports increased by 41.8 per cent to 117.8 million kg from 83.1 million kg recorded in the first half of 2019. Mail movement also rose by 14.9 per cent to 23.1 million kg in the first half of 2019, compared with 20.1 million kg recorded in the corresponding period of 2018.

4.3.12.2 Railway Services

In the review period, the Federal Government awarded the contract for the Abuja-Warri rail line. The rail line was planned to connect to a new seaport in Warri. The planned E-ticketing solution has been approved by the Infrastructure Concession Regulatory Commission (ICRC) who has issued a certificate of compliance for the Full Business Case (FBC). Rail Track rehabilitation and signalling projects

A total of 1,507,571 passengers and 155,206 tonnes of freight were moved by trains operated by the NRC between January to June, 2019 compared with 1,478,634 passengers and 165,566 tonnes of freight moved during the corresponding period of 2018.

4.3.12.3 Maritime Services

The Integrated National Security and Waterways Protection Infrastructure in Nigeria (Deep Blue Project) was established during the period under review. The project entails a multipronged approach towards tackling insecurity in Nigerian territorial waters and the entire Gulf of Guinea through a Command, Control, Communications, Computers and Intelligence (C4i) initiative, as well as prevent illegal activities in the Nigerian Exclusive Economic Zone (EEZ), among others.

Maritime Services also received a boost during the review period with the Federal Government's approval, in May 2019, for the construction of a new seaport in Warri. The seaport was planned to be connected to Abuja through the rail lines.

Accrding to the Nigeria Maritime Administration and Safety Agency (NIMASA), a total of 2,656 ocean going vessels berthed at Nigerian ports during the review period, compared with 9,289 vessels in the corresponding period of 2018. Cargo throughput stood at 97,934,577.893 metric tonnes in the first half of 2019, compared with 96,603,396.94 metric tonnes in the corresponding period of 2018, representing an increase of 1.38 per cent.

4.3.13 SOCIAL SECTOR DEVELOPMENTS

4.3.13.1 Health

The Global Polio Eradication Initiative, a public-private partnership, led by national governments with five core partners - the World Health Organisation (WHO), Rotary International, the US Centers for Disease Control and Prevention (CDC), the United Nations Children's Fund (UNICEF) and the Bill & Melinda Gates Foundation, pledged US$1.2 billion to eradicate polio in three countries (Nigeria, Afghanistan, and Pakistan) with high prevalence of the disease. In addition, the Rotary International donated US$5.7 million to the Nigerian Government to support its fight against the disease. The Grant would be used by the WHO and the UNICEF to support polio immunisation campaigns, research and surveillance in the country.

4.3.13.2 Education

The World Bank initiated Better Education Service Delivery for All (BESDA) worth US$611.00 million to effectvely tackle the challenge of out-of-school children. The Initiative, which aimed to address the problem of Out-of-School Children (OSC) prevalent in Kano, Akwa Ibom, Katsina, Kaduna, Taraba, Sokoto, Yobe, Zamfara, Oyo, Benue Jigawa and Ebonyi states would also support the Nigerian government in strengthening the quality of basic education across the country. Consequently, the number of OSC in the country reduced from 13.2 million to 10.2 million during the 2018/19 academic session. To complement this Initiative, the Federal Government, during the period, constructed 2,493 new classrooms, 2,457 Ventilated Improved Pit (VIP) toilets, 19 laboratories and 91 boreholes across the country. In addition, 1,266 classrooms were renovated, 192,985 and 10,038 furniture were procured for pupils and teachers, respectively.

The Nigerian University Commission (NUC), within the review period, approved four new private universities. These were; Greenfield University, Kaduna, Kaduna State; Dominion University, Ibadan, Oyo State; Trinity University, Yaba, Lagos State; and Westland University, Iwo, Osun, State. Consequently, the number of universities in the country increased from 170 to 174, classified into Federal (43), State (48) and Private (83) universities.

4.3.13.3 Environment

The Federal Government and other stakeholders commenced the assessment of projects for submission under the Global Environmental Facility (GEF). Under the new four-year investment cycle, known as GEF-7, Nigeria would be given US$20.65 million out of the US$4.1 billion GEF's Trust Fund. The Project would be the first funding after Global Goals of Agenda 2030, and the Paris landmark agreement, aimed at safeguarding the world's forests, land, water, climate, and oceans; building green cities, protecting threatened wildlife, and tackling new environmental threats, such as marine plastic pollution.

The Federal Executive Council approved five new contracts for the clean-up of Ogoni land in Rivers State. The new contracts, valued at ₦3.04 billion, were to further safeguard the flora and fauna; and the health of the community. The ongoing clean-up activities in 21 remediation sites across Ogoni land is being carried out by 95.0 per cent of indigenous workers.

4.3.13.4 Housing and Urban Development

During the review period, an agreement was signed between the Association of Housing Corporations of Nigeria (AHCN), Federal Housing Authority (FHA), the Federal Mortgage Bank of Nigeria (FMBN) and Family Homes Fund (FHF) to boost provision of affordable houses to low income earners. The target buyers were mainly NHF subscribers, as each of the housing units was expected to be between ₦5.0 million and ₦10.0 million. Under the Agreement, FHF would provide fund for construction, FMBN would support subscribers, especially civil servants with loans, while construction would be handled by AHCN members. The first phase would consist of 500 units, which would cover Lagos, Enugu, Akwa Ibom, Niger, Kaduna, Imo and Yobe states.

The Kaduna State Government signed a Memorandum of Understanding with the China Civil Engineering Construction Corporation (CCECC) for the Kaduna Urban Renewal Project. The Project was aimed at urbanising the state capital. The Project has 14 components, which include: roads; mass transit; housing; improved land use; street lights; parks and recreational centres. The Project located in four local government areas - Kaduna North, Kaduna South, Chikun and Igabi, would improve the state's competitiveness, support economic development and promote the well-being of the populace.

4.3.14 Activities of the National Emergency Management Agency

The National Emergency Management Agency (NEMA), in collaboration with the stakeholders, commenced the review of the National Contingency Plan (NCP) to reposition the country against the impact of disasters. The aim was to put together, in a simplified manner, the disaster risk management implications for the 2019 Seasonal Rainfall Prediction (SRP). The Plan, when completed, would provide information on disaster management implications on agriculture, water resources, health and infrastructure. This would assist stakeholders to promptly take necessary actions required to facilitate disaster risk management in their jurisdictions.

During the review period, NEMA offered support to several communities affected by various forms of disasters across the country. In Niger State, 550 victims of rainstorm disaster were given relief materials to rebuild structures that were destroyed. In Borno State, 12,000 farmers displaced by the Boko Haram insurgence were supported under its Emergency Agriculture Intervention Programme for the cropping season through the National Food Security Council. The farmers would have access to fertilizers and farm inputs, thereby improving agricultural produce.

4.3.15 Activities of the Niger Delta Development Commission

The NDDC commissioned a 132 KV transmission line and 30MVA, 132/33KVA substation at Afiesere, Ughelli in Delta State. The Facility, which cost ₦2.2 billion, would improve power supply in Ughelli and its environs. The scope of work included the construction of 12.3 KM double conduit 132KV transmission line from Transcorp Power Plant to Afiesere and erection of 2 (two) 132KV line bay extension substation at Ughelli.

The NDDC, in collaboration with the Centre for Women and Vulnerable Children (CWVC), organised an empowerment programme for over 500 women in Calabar, Cross River State. The Programme was aimed at developing the women to be self-reliant socially and economically. It also collaborated with Potters Heritage Foundation (PHF) to train and empower over 30 physically-challenged persons with skills acquisition in Bayelsa State. The beneficiaries were trained on bead making, shoe making, photography, mobile phone repairs, makeup, confectionary and wig making.

4.4 EXTERNAL SECTOR DEVELOPMENTS

In the first half of 2019, the external sector recorded an overall balance of payments surplus of 1.0 per cent of gross domestic product (GDP). The current account, however, recorded a deficit of ₦1,739.69 billion or 2.6 per cent of GDP, as against a surplus of ₦1,762.75 billion (3.0% of GDP) in the first half of 2018. The capital and financial account recorded a net financial asset of ₦2,449.16 billion, representing 3.6 per cent of GDP in the review period, relative to ₦421.43 billion (0.7% of GDP) in the first half of 2018. The stock of external reserves at end-June 2019, increased by 5.1 per cent to US$44.75 billion, compared with US$42.59 billion at end-December 2018. The reserves could finance 9.6 months of import (goods only) or 5.7 months of imports of goods and services. The stock of external debt increased by 18.6 per cent to US$25.61 billion, equivalent to 11.7 per cent of GDP at end-March 2019, but still within the sustainable international threshold of 40.0 per cent of GDP. In the foreign exchange market, the pressure on the naira exchange rate eased, owing to foreign exchange management initiatives implemented by the Bank. The average exchange rate of the naira at the inter-bank and BDC segments of the market were ₦306.90/US$ and ₦359.77/US$, respectively, while it exchanged at ₦361.33/US$ at the Investors and Exporters (I&E) window.

4.4.1 Current Account

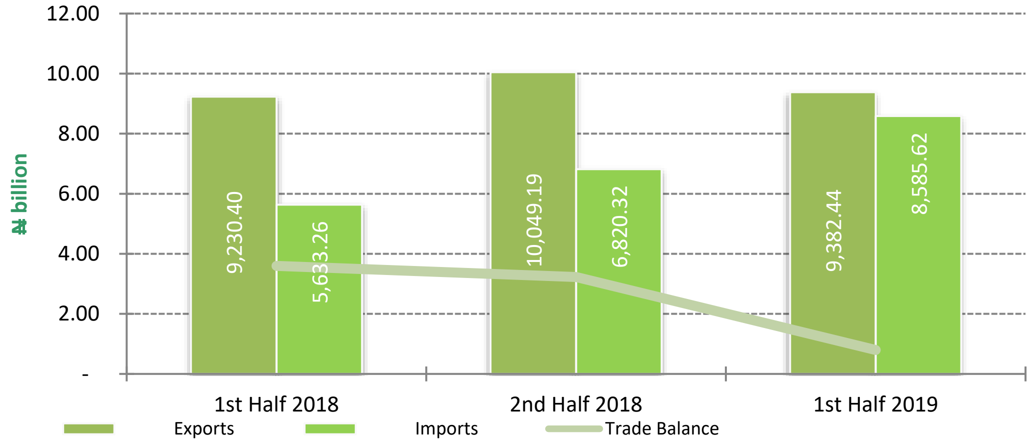
Provisional data showed that the current account recorded a deficit of ₦1,739.69 billion or 2.6 per cent of GDP, in contrast to a surplus of ₦1,762.75 billion or 3.0 per cent of GDP in the corresponding half of 2018. The development was attributed, largely, to lower trade surplus in the goods account and higher deficit in the services account, which offset the increased surplus in the current transfers account.

4.4.1.1 Trade

Estimated aggregate external trade increased to ₦18,168.06 billion or 27.0 per cent of GDP, in the first half of 2019, above the ₦16,869.52 billion or 24.3 per cent of GDP and ₦14,863.66 billion or 24.9 per cent of GDP in the preceding and the corresponding periods of 2018, respectively. A disaggregation showed that export decreased to ₦9,582.44 billion, from ₦10,049.19 billion in the second half of 2018, but increased by 3.8 per cent, compared with ₦9,230.40 billion in the first half of 2018. A further analysis revealed that crude oil and gas component, which constituted 86.4 per cent of total export, decreased to ₦8,280.91 billion in the review period, below the ₦9,457.63 billion and ₦8,387.73 billion in the preceding and corresponding periods of 2018, respectively. This was on account of decrease in production and average price of crude oil, in the review period. The average price of the Bonny Light decreased to US$68.03 per barrel from US$71.93 per barrel and US$72.75 per barrel in the preceding and corresponding halves of 2018, respectively. Non-oil component, which constituted the remaining 13.6 per cent of total export, however, grew significantly to ₦1,301.52 billion in the review period, above the ₦591.56 billion and ₦841.67 billion in the second and first halves of 2018, respectively. This was attributed to increased export of manufactured goods and agricultural produce, reflecting on-going efforts towards diversifying the economy.

Aggregate import was ₦8,585.62 billion in the review period, compared with ₦6,820.32 billion and ₦5,633.26 billion in the preceding and corresponding halves of 2018, respectively, indicating increase of 25.9 and 52.4 per cent. The growth was as a result of the increase in the importation of non-oil products, which constituted 84.7 per cent of total import or 10.8 per cent of GDP in the review period. Oil and gas import, representing 15.3 per cent of total import, decreased to ₦1,315.64 billion or 2.0 per cent of GDP, below the level in the preceding and corresponding halves of 2018. Overall, the goods account registered a trade surplus of ₦996.82 billion in the review period, relative to ₦3,228.87 billion and ₦3,597.14 billion in the preceding and corresponding periods of 2018, respectively.

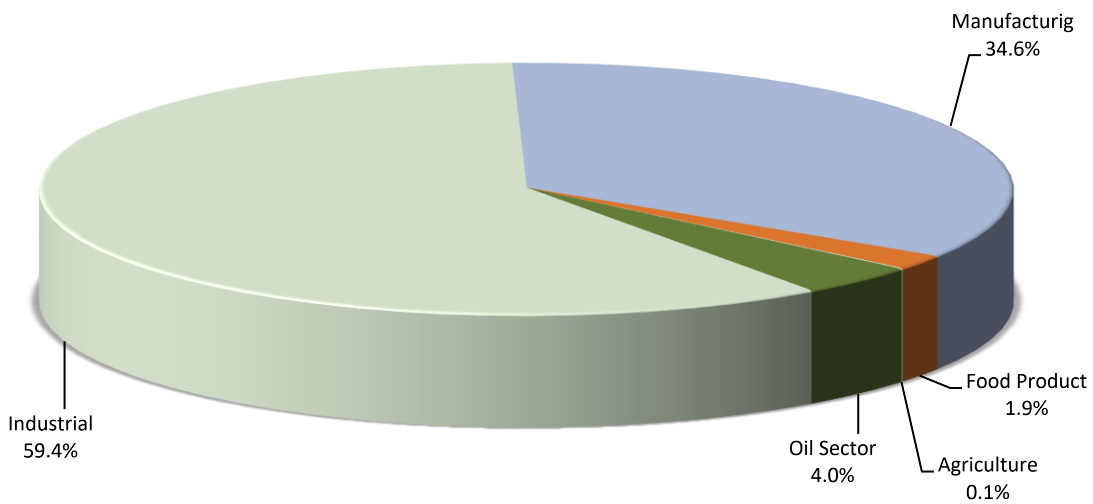
Figure 70
Export, Import and Trade Balance
(₦' Billion)



Source: CBN

A breakdown of visible import by sector indicated that industrial sector import accounted for the largest share of 59.4 per cent, followed by manufactured products with a share of 34.6 per cent. Oil sector accounted for 4.0 per cent; food products, 1.9 per cent; and agricultural sector, 0.1 per cent of the total.

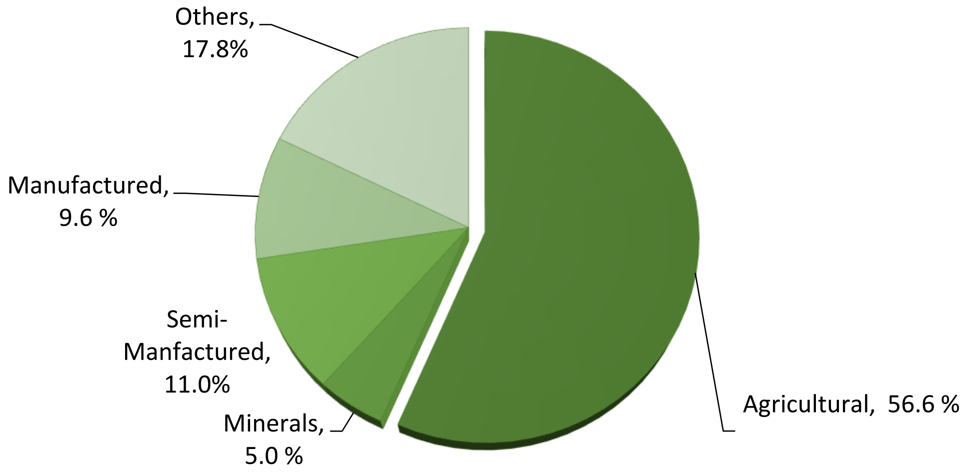
Figure 71
Visible Import by Sector, First Half 2019
(Per cent)



Source: CBN

A disaggregation of non-oil export by products revealed that agricultural, other products, semi-manufactured, manufactured and mineral products accounted for 56.6, 17.8, 11.0, 9.6 and 5.0 per cent of total, respectively.

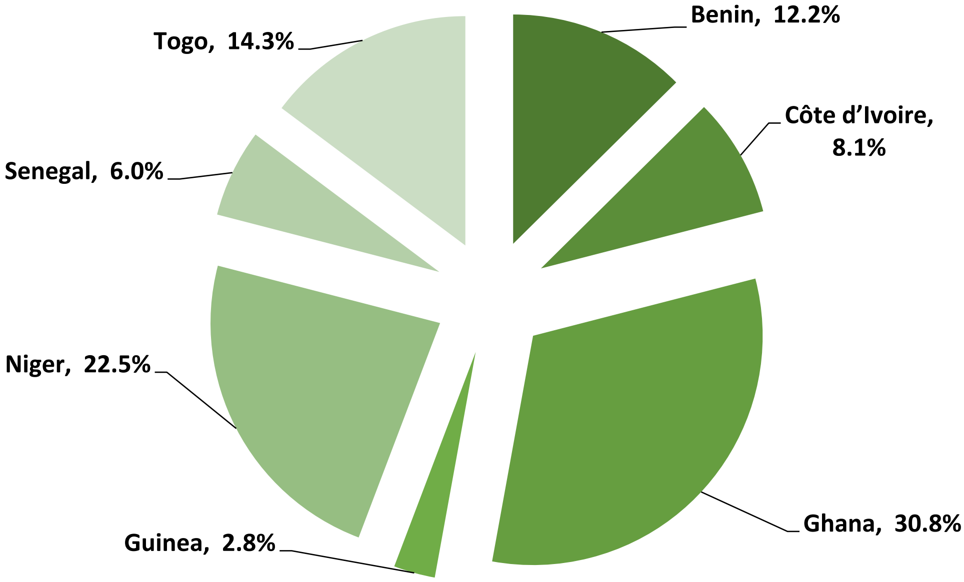
Figure 72
Non-Oil Export by Products
(First Half 2019, Per cent)



Source: CBN

Analysis of non-oil export to the Economic Community of West African States (ECOWAS) sub-region showed a total value of US$196.67 million in the first half of 2019. Among member-countries, export to Ghana was the highest at US$60.67 million or 30.0 per cent of total. This was followed by Niger, US$44.27 million (22.5%); Togo, US$28.13 million (14.3%); and Benin, US$23.94 million (12.2%). Export to Cote d'Ivoire was US$16.02 million (8.1%); Senegal, US$11.80 million (6.0%); and Guinea, US$5.55 million (2.8%). Other countries accounted for the balance. The dominant export commodity to the sub-region remained instant noodles, detergents, tobacco, plastics, dairy products, soya beans meal, and carbonated soft drink.

Figure 73
Non-oil Export to the ECOWAS sub-Region in the First Half of 2019
(Per cent)



Source: CBN

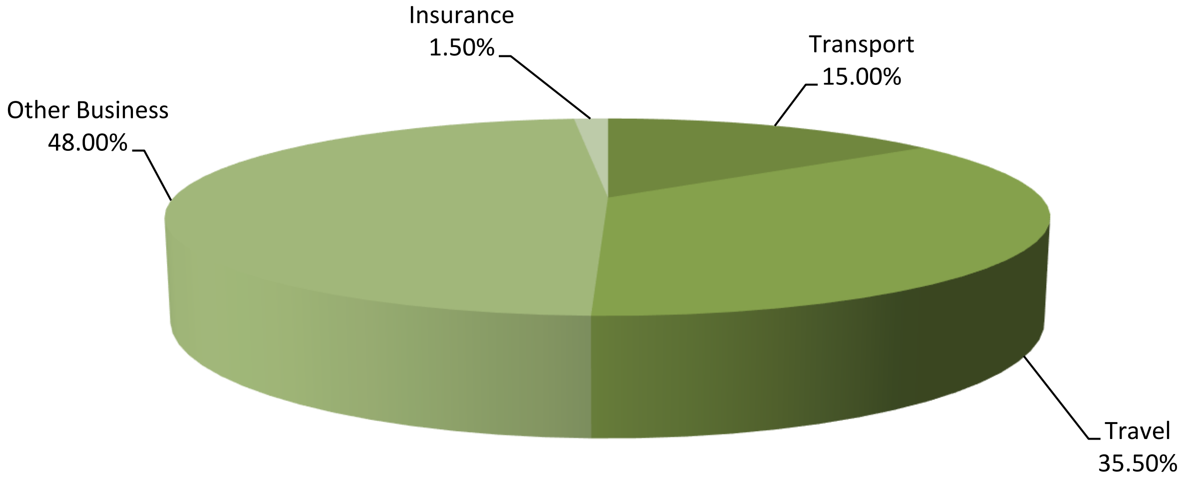
Foreign Exchange Receipts by Top Hundred (100) Exporters

Available data showed that aggregate value of export proceeds of the top one hundred exporters, in the first half of 2019, was US$976.16 million, indicating a decline of 14.3 per cent, below the US$1,138.99 million in the corresponding period of 2018. Analysis of the activities of the "Top 100 Non-oil Exporters" showed that Olam Nigeria Limited topped the list with a value of US$193.46 million or 19.8 per cent of the total, from the export of cocoa beans, cashew nuts, and sesame seeds to Turkey and China. The second major non-oil exporter was Indorama Eleme Fertilizer and Chemicals Limited at US$117.83 million (12.1%), realised from the export of urea, fertilizers and agronomy services to Turkey and China. The third major non-oil exporter was the British American Tobacco Nigeria Limited, with a value of US$53.77 million (5.5%) from the export of cigarettes to Liberia, Guinea, Ghana, Cameroun, Cote d'Ivoire and Niger. Mamuda Industries Nigeria Limited follwed, with US$39.67 million (4.1%) from the export of processed and finished leather to Italy, India and Spain. Metal Recycling Industries Limited was fifth with value of US$38.50 million (3.9%), from the export of re-melted copper and aluminum ingots to Japan, China and South Korea. Banarly (Nig) Limited, Llyods Industries Limited and Colossus Investment Limited, were at 96th, 97th, 98th, and 99th positions with export earnings of US$1.24 million, US$1.23 million and US$1.18 million, respectively. Their major export products were frozen shrimps, aluminum alloy ingots, and cashew nut to Spain, Japan and China, respectively. Saro Agro Allied Limited placed 100th with export value of US$1.17 million, from the export of cocoa beans to Estonia, Malaysia and Spain.

4.4.1.2 Services

The deficit in the services account widened significantly to ₦4,971.81 billion or 7.4 per cent of GDP, from ₦4,710.75 billion or 6.8 per cent of GDP and ₦3,256.04 billion or 14.9 per cent of GDP, in the preceding and corresponding periods of 2018, respectively. This was due, mainly, to increased outpayments, particularly in the transportation and travels components of the account. A disaggregation of services payments showed that other business services constituted the bulk at ₦2,389.12 billion or 48.0 per cent of total payments. Travel services, at ₦1,765.88 billion or 35.5 per cent of the total, increased by 29.3 per cent above its level in the preceding period of 2018, as a result of increased payment in respect of personal travels, mainly education and health related. Payments in respect of transportation services also increased to ₦751.46 billion, accounting for 15.0 per cent of the total, owing to higher payments of passenger fares and freight charges. Payments in respect of royalties & license fees increased by 0.2 per cent, to ₦38.74 billion, representing 0.8 per cent of the total. Government and communication services sub-accounts though in surplus, declined by 2.3 and 3.3 per cent to ₦30.43 billion and ₦10.09 billion, respectively, in the review period. "Others" accounted for the balance.

Figure 74
Share of Services Out-Payments
(First Half 2019, Per cent)



Source: CBN

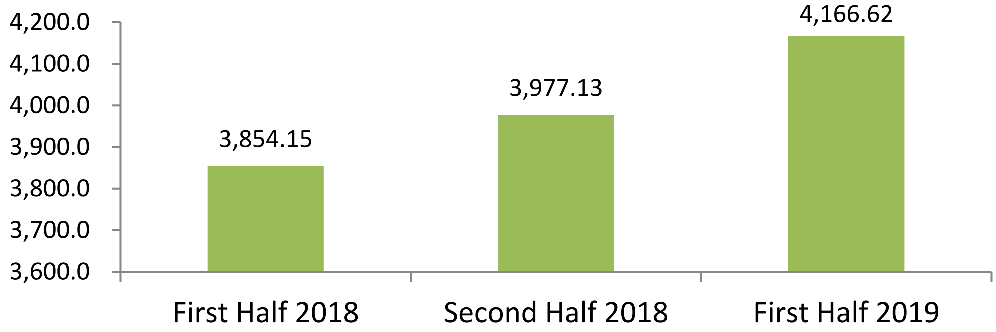
4.4.1.3 Income

Provisional data showed that transactions in the income account resulted in a lower deficit of ₦1,892.69 billion or 2.8 per cent of GDP, compared with ₦2,408.71 billion or 3.5 per cent of GDP and ₦2,196.43 billion or 3.7 per cent of GDP, in the second and first halves of 2018, respectively. This was due, majorly, to decreased payment of dividends and distributed branch profits during the review period. The deficit in the investment income sub-account narrowed by 16.9 and 8.4 per cent to ₦1,927.40 billion, below the ₦2,443.94 billion and ₦2,232.64 billion, in the preceding and corresponding periods of 2018, respectively. On the contrary, compensation of employees' sub-account recorded a surplus of ₦34.71 billion in the review period, though lower than the ₦35.23 billion and ₦36.21 billion in the preceding and corresponding halves of 2018, by 1.5 and 4.1 per cent, respectively.

4.4.1.4 Current Transfers

The surplus in the current transfers account rose to ₦4,127.99 billion or 6.1 per cent of GDP, above the ₦3,756.90 billion (5.4% of GDP) and ₦3,618.07 billion, (6.1% of GDP), in the second and first halves of 2018, respectively. This was influenced, largely, by the sustained inflow of home remittances, and inflow of aid in form of medical equipment by Doctors Without Borders, during the review period. Personal home remittances continued to drive the surplus in the current transfers account, and constituted 87.4 per cent of total inflow. General government transfers, comprising payments to foreign embassies and international organisations, recorded a higher surplus of ₦69.18 billion in the first half of 2019, above the ₦69.07 billion and ₦57.64 billion in the preceding and corresponding periods of 2018, respectively.

Figure 75
Private Home Remittances
(₦'billion)



Source: CBN

4.4.2 Capital and Financial Account

The capital and financial account recorded a net financial asset of ₦2,449.16 billion or 3.6 per cent of GDP, higher than ₦421.43 billion or 0.7 per cent of GDP in the corresponding half of 2018. It was however in contrast to the net financial liability of ₦697.38 billion or 1.0 per cent of GDP in the second half of 2018.

Further analysis showed that aggregate financial assets in the form of financial outflows increased to ₦6,245.54 billion in the review period, above ₦433.04 billion and ₦5,967.04 billion, in the second and first halves of 2018, respectively. This was driven, majorly, by increase in other investment assets and accretion to external reserves. Similarly, aggregate foreign liabilities, representing financial inflow into the economy trended upward to ₦3,796.38 billion, above the ₦1,130.42 billion in the preceding half of 2018. The development was due, largely, to higher inflow of foreign portfolio investment and additional drawdown of fresh multilateral loans by the Federal Government.

4.4.2.1 Foreign Direct Investment

Inflow of FDI increased to ₦631.19 billion, equivalent to 0.9 per cent of GDP in the first half of 2019, compared with ₦230.40 billion and ₦379.84 billion, in the second and first halves of 2018, respectively. This was as a result of increased inflow of fresh equity capital during the review period. In terms of share in total inflow, FDI accounted for 16.6 per cent in the review period. In the same vein, outward direct investment increased by 8.0 and 8.3 per cent to ₦228.11 billion or 0.3 per cent of GDP, above ₦211.23 billion and ₦210.73 billion in the second and first halves of 2018, respectively. This reflected renewed interest of resident investors in international enterprises. As a share of total capital outflow, FDI accounted for 3.7 per cent.

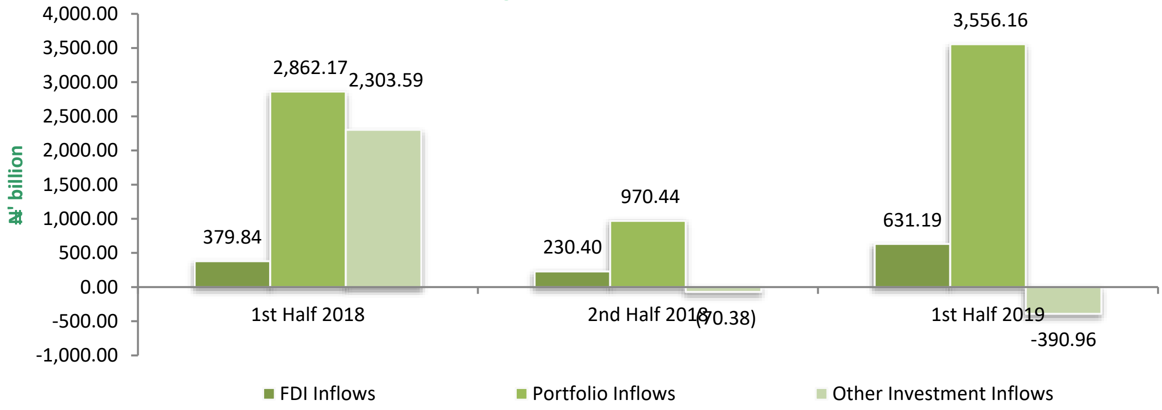
4.4.2.2 Portfolio Investment

Portfolio investment inflow surged to ₦3,556.16 billion or 5.3 per cent of GDP, above ₦970.44 billion and ₦2,862.17 billion, in the preceding and corresponding halves of 2018, respectively. This was due, largely, to increased investment in equity and debt securities, particularly short-term debt securities, occasioned mainly by the attractive returns on investment. The share of portfolio investment inflow in total capital was 93.7 per cent. A further analysis showed that the Greenspan-Guidotti measure of external reserve adequacy, measured by the ratio of portfolio investment to external reserves, remained adequate at 385.5 per cent, above the 100.0 per cent international benchmark. Portfolio investment outflow also increased to ₦3.59 billion in the review period, compared with ₦0.04 billion in the preceding half of 2018, reflecting favourable investment conditions, particularly in the United States.

4.4.2.3 'Other' Investment

"Other" investment driven, largely, by loans, and currency & deposits recorded an outflow of ₦390.96 billion (0.6% of GDP) in the review period, as loan repayment in contrast to an inflow of ₦2,303.59 billion in the first half of 2018. This was higher than the ₦70.38 billion outflow recorded in the second half of 2018. The "other" investment asset sub-account rose significantly to ₦5,354.22 billion from ₦1,608.72 billion and ₦3,366.86 billion in the preceding and corresponding periods of 2018. This was attributed, largely, to increased foreign currency holdings of the private sector and banks. "Other" investment asset constituted the highest share of 85.7 per cent of total financial assets in the review period.

Figure 76
Foreign Capital Inflows



Source: CBN

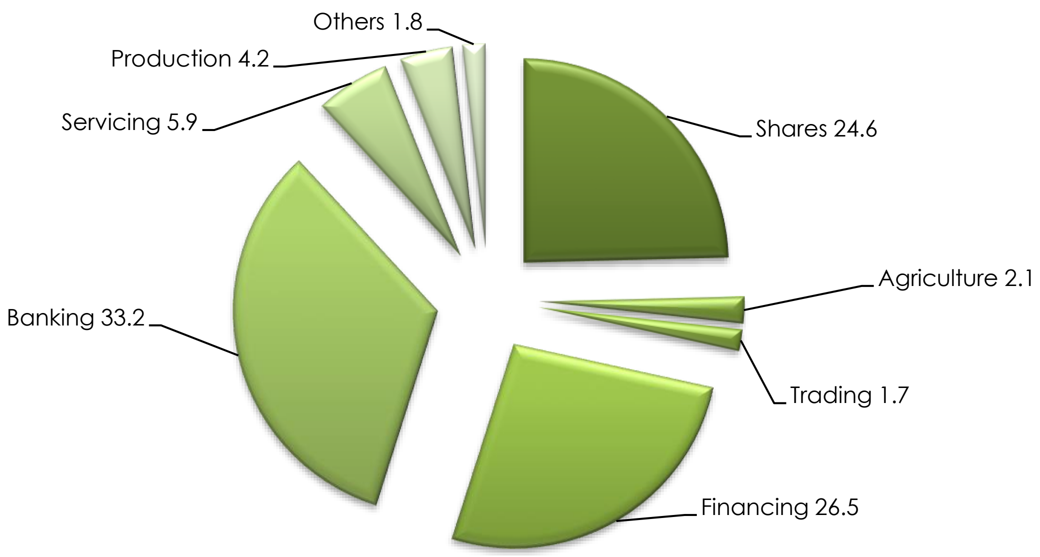
4.4.3 Capital Importation and Capital Outflow

Provisional data showed that new capital imported into the economy, as reported by banks, amounted to US$14.31 billion in the review period, compared with US$11.82 billion in the first half of 2018. A disaggregation of capital imported by sectors showed that 33.2 per cent of the total new capital was invested in banking, while investment in financing accounted for 26.5 per cent. The purchase of shares, servicing, production/manufacturing, agriculture, and trading accounted for 24.6, 5.9, 4.2, 2.1 and 1.7 per cent, respectively, of the total. Other sectors accounted for the balance.

A further breakdown by type of investment, indicated that portfolio investment remained dominant accounting for 80.0 per cent of the total, followed by other investments with 16.7 per cent, while FDI inflow accounted for the remaining 3.3 per cent. By country of origin, the United Kingdom remained the highest source of inflow, accounting for 53.5 per cent of the total, followed by the United States with 18.8 per cent. South Africa, United Arab Emirates and Belgium accounted for 7.5, 4.3 and 3.1 per cent, respectively, while other countries accounted for the balance.

In the review period, aggregate capital outflow stood at US$4.07 billion, compared with US$5.05 billion in the first half of 2018. A disaggregation showed that, outflow in form of capital reversal, constituted 61.3 per cent of total outflows, followed by payment of dividends to non-resident investors, which accounted for 22.1 per cent. Repayment of loans represented 16.6 per cent of the total, while 'others' accounted for the balance. In terms of capital outflow by sectors, servicing was 58.1 per cent of total outflow, followed by the banking sector, which constituted 19.0 per cent. Production/manufacturing, oil & gas, and telecommunication sectors accounted for 8.0, 5.0 and 4.0 per cent, respectively. Other sectors accounted for the balance.

Figure 77
Capital Importation by Sector
(First Half 2019, Per cent)



Source: CBN

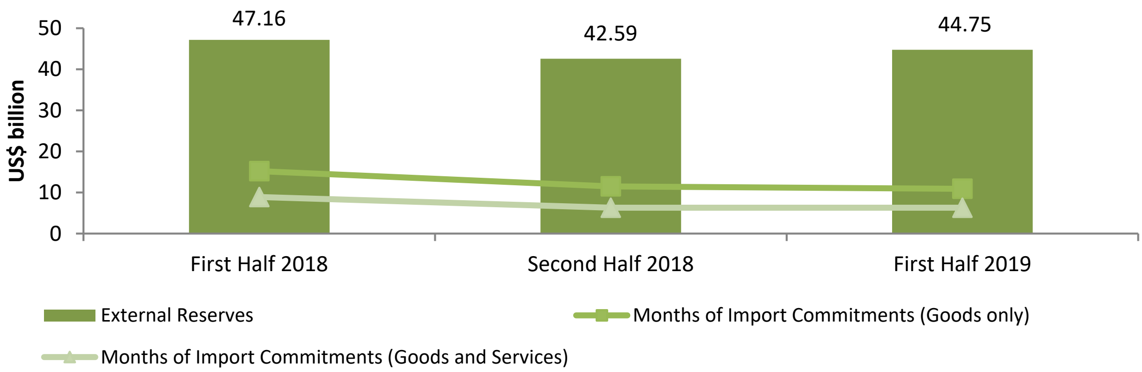
Figure 78
Capital Outflow and Outward Transfers
(First Half 2019, Per cent)

Source: CBN

4.4.4 External Reserves

Gross external reserves at end-June 2019 stood at US$44.75 billion, compared with US$42.59 billion at end-December 2018. The increase was due, largely, to foreign exchange purchases. The external reserves position could finance 5.7 months of import of goods and services or 9.6 months of goods only. A breakdown of the external reserves by ownership showed that, the CBN had the largest share of 83.2 per cent, followed by the Federal Government with 16.8 per cent. The share of Federation accounted for the balance of 0.01 per cent. In terms of currency composition, the US dollar at US$40.14 billion, constituted 89.7 per cent of total; special drawing rights, US$2.08 billion (4.7%); Chinese yuan, US$2.06 billion (4.6%); and others, the balance.

Figure 79
External Reserves Stock and Months of Import Commitments



Source: CBN

4.4.5 External Debt

External debt stock at end-March 2019 was US$25.61 billion (11.7% of GDP) an increase of 18.6 and 16.0 per cent above the US$21.59 billion and US$22.08 billion, at end-December 2018 and end-June 2018, respectively. Further breakdown showed that loan from multilateral sources, mainly the World Bank and African Development Bank Groups, amounted to US$11.25 billion (43.9%). Loan from commercial sources in the form of Eurobond was US$11.17 billion (43.6%); while bilateral sources, mainly, the China EXIM Bank accounted for the remaining US$3.19 billion (12.5%).

5.0 THE INTERNATIONAL MONETARY SYSTEM

5.1 Global Institutions

5.1.1 The International Monetary Fund (IMF)/World Bank Spring and Annual Meetings

The 2019 Spring Meetings of the Board of Governors of the World Bank Group (WBG) and the International Monetary Fund (IMF) were held in Washington DC, USA, from April 8 – 14, 2019. The Nigerian delegation to the Meetings was led by the Honourable Minister of Finance, Mrs. Zainab Ahmed, supported by the Governor, Central Bank of Nigeria, Mr. Godwin Emefiele (CON). The sideline meetings of the Ministers of the Inter-Governmental Group of 24 on the International Monetary and Finance Committee (IMFC) and the Development Committee (DC) were also held. In addition, the delegation attended seminars and held bilateral meetings with the International Finance Corporation (IFC) and rating agencies.

The G24 Ministers:

- Noted that global growth was projected to moderate in 2019, and was expected to pick-up in 2020. They highlighted the ongoing trade tensions, sharp tightening in financial conditions, large swings in commodity prices and limited policy space, as downside risks confronting the global economy;
- Identified the major challenges confronting emerging market and developing economies (EMDEs) as weak productivity growth, increasing inequality, climate change, migration, demographic shifts and policy uncertainty;
- Advocated for multilateralism in addressing trade disputes, and challenged the Fund to champion a multilateral approach to trade. They stressed the importance of deepening the voice and governance reforms for the legitimacy and effectiveness of the two institutions, and reiterated that the stalled progress of the IMF 15th General Review of Quota was a major setback to the completion of the Board Representation Reforms under the 14th Review. They further called for a third Chair for Sub-Saharan Africa to enhance the voice and

representation of the region without this being at the expense of another EMDEs' Chair; and

- Called on IMF and WBG to promote staff diversity, educational institutions diversity and gender balance, especially for some regions and countries that were grossly under-represented in recruitment and career progression.

The Development Committee:

- Reaffirmed its commitment to strong governance, including tackling corruption, implementing policies that foster innovation and fair market competition, addressing challenges from demographic shifts, ensuring that gains from technological change and economic integration were widely shared, and effectively assisting those bearing the costs of adjustment;
- Promised to expedite work for a globally fair and modern international tax system and address harmful tax competition, artificial profit shifting and other tax challenges, such as those related to digitalisation. It also promised to tackle sources and channels of money laundering and terrorism financing, proliferation of illicit finances, and, addressing correspondent banking relationship issues. On promoting debt transparency and sustainable financing practices by both debtors and creditors, it promised to strengthen creditor coordination in debt restructuring; and
- Referred to its endorsed transformative capital package for International Bank for Reconstruction and Development (IBRD) and International Finance Corporation (IFC), and noted that the package and the forward-looking guide was the WBG's strategic direction to 2030. It welcomed the paper titled "Update: The Forward Look and IBRD-IFC Capital Package Implementation" and the significant policy reforms delivered, including: IBRD loan pricing and Single Borrower Limit differentiation, the IFC Additionality Framework, the IBRD Financial Sustainability Framework, and the revised methodology for staff

compensation. It further noted the strong, yet selective, WBG engagements in countries above the graduation discussion income as reflected in the revised guidance for country partnership frameworks. It encouraged the Group to continue to implement and monitor the agreed efficiency measures, in addition to a continuous track of progress against the Forward Look and capital package commitments.

5.1.2 The 2019 World Economic Forum (WEF) Annual Meeting

The 2019 World Economic Forum (WEF) was held in Davos, Switzerland from January 22-25, 2019 with the theme ''Globalization 4.0: Shaping a Global Architecture in the Age of the Fourth Industrial Revolution''. Global leaders from business, government, international organisations, academia and civil society were in attendance. The annual meeting included sessions on issues relating to the global economy, energy, technology, leadership, natural resources, sustainable growth, health and environment, amongst others.

The Meeting was based on the following five working principles:

- Dialogues are critical and must be based on multi-stakeholder engagements;
- Globalisation must be responsible and responsive to regional and national concerns;
- International coordination must be improved in the absence of multilateral cooperation;
- Addressing the biggest global challenges requires the collaborative efforts of business, government and the civil society; and
- Global growth must be inclusive and sustainable.

Discussions at the Forum included series of "Global Dialogues", which focused on the following interrelated areas:

- Geopolitics;
- The future of the global economy;

- Industry systems;
- Cyber-security; and
- Human capital and institutional reforms.

5.1.3 The Group of Twenty-Four (G-24) Technical Group Meeting

The Intergovernmental Group of Twenty-Four on International Monetary Affairs and Development (G-24) Technical Group Meeting (TGM), took place in Lima, Peru from March 14-15, 2019. The following topics were discussed:

- Coping with Global Uncertainties and the Global Financial Safety Net;
- Global Financial Governance and Development;
- Managing Sustainable Investments and Growth: Some Perspectives;
- Combating Illicit Financial Flows;
- Taxation Challenges: A Focus on the Digital Economy;
- Ensuring Adequate Social Safety Nets; and
- Fiscal Reforms and Governance.

5.2 REGIONAL INSTITUTIONS

5.2.1 African Union (AU)

The 2019 Meeting of Experts of the African Union (AU) 3rd Specialised Technical Committee (STC) on Finance, Monetary Affairs, Economic Planning and Integration was held in Yaoundé, Cameroon, March 4 to 6, 2019. The Meeting held under the themes "Public Policies for Productive Transformation" and "Capacity Building for the Formulation of Public Policies for Productive Transformation". Forty-four (44) Member States, Eighteen (18) Regional Economic Communities and several International Institutions attended the 3rd Specialised Technical Committee (STC) of the African Union (AU). Nigeria was represented by the Federal Ministry of Finance (FMF), Federal Ministry of Budget and Planning (FMB&P) and Central Bank of Nigeria (CBN).

The discussions and presentations at the 3rd STC Meeting focused on the following Sub-themes:

- Evaluation of Regional Integration: African Multidimensional Regional Integration Index (AMRII) and Status of Regional Integration in Africa;
- Progress Report on the Establishment of the AU Financial Institutions and their Roles in Fostering Productive Transformation;
- Report of the Experts Group on the Refinement of the Convergence Criteria of the African Monetary Cooperation Programme (AMCP);
- Proposal of a Monitoring Framework and a Peer Review Mechanism for Macroeconomic Convergence;
- Progress Report on Statistical Development in Africa;
- Agenda 2063: First-Ten Year Implementation Plan Monitoring and Evaluation;
- Status and Progress Report on the Financing of the Union;
- Report of the Workshop on the Role of Capital Markets in Mobilising Domestic Resources in Africa;
- Update on the Establishment of the African Continental Free Trade Area (ACFTA);
- Inclusive Labour Market Governance for Productive Transformation (for information);
- APRM Support to Member States in the Field of Rating Agencies;
- Revenue Statistics; and
- Status of Africa Population Report: A Common African Position on Population (for information).

5.2.2 Association of African Central Banks (AACB)

The 2019 Continental Seminar of the Association of African Central Banks was held in Balaclava, Mauritius, May 6 - 8, 2019, with the theme: 'Renewed Protectionist Tendencies: Some Implications for Macroeconomic Policy in Africa'. Seventy (70) delegates from twenty-four (24) Member Central Banks, and twelve (12) Regional and International Institutions were in attendance.

The discussions at the plenary session focused on the following sub-themes:

- Mitigating the Impact of Rising Protectionist Tendencies: Role of Central Banks and the Continental Free Trade Area in Promoting Intra-African Trade;
- Trade War and Protectionist Tendencies: Implications on External Sector Performance in Africa; and
- Protectionist Trends Around the World: Prospects for Monetary Integration in Africa.

At the end of the Seminar, it was recommended that:

- African countries and regional or continental institutions should conduct in-depth studies on the impact of trade war on African economies (exports, exchange rates, economic growth), which would aid in developing and proposing strategies for adoption by the African countries;
- African countries were encouraged to pay greater attention to expanding trade and investment links in Africa from major countries, following the China's 'Belt and Road' initiative, which has had a significant impact on infrastructure in Africa;
- African countries should consider diversifying their economies to enhance their productive capacities and resilience;
- The implementation of the AfCFTA should be fast-tracked;
- AACB-focused programmes, such as the convergence criteria, which would facilitate intra-regional trade should be implemented;
- Overall macroeconomic conditions should be improved with emphasis on addressing structural impediments;
- There should be increased investment in commodity exchanges to influence global market prices of commodities for which African economies are the predominant producers, so as to derive maximum benefits from those resources; and
- Macro-prudential regulation should be strengthened to detect vulnerabilities emanating from the corporate sector's exposure to export sector.

5.3 SUB-REGIONAL INSTITUTIONS

5.3.1 West African Institute for Financial and Economic Management (WAIFEM)

The 39th Meeting of the Technical Committee of the West African Institute for Financial and Economic Management was held in Accra, Ghana on February 3, 2019. The purpose of the Meeting was to review WAIFEM's Work-Programme for 2019 and other administrative issues at the Institute for the financial year 2018. The Meeting was attended by representatives of member Central Banks, Ministries of Finance, and the West African Monetary Institute (WAMI).

The Institute's progress report was presented in seven (7) main headings, namely: (i) Training and Capacity Building Activities; (ii) Business Development and Consultancy Unit (BD&CU); (iii) E-Learning Programmes; (iv) Research Department; (v) Administrative Developments; (vi) International Relations; and (vii) Six (6) Months Outlook.

5.3.2 West African Monetary Zone (WAMZ)

The 44th Meeting of the Technical Committee (TC) of the West African Monetary Zone was held in Accra, Ghana, from February 4-5, 2019. The objective of the Meeting was to deliberate on the status of implementation of the WAMZ Work Programme, as well as, activities under the ECOWAS Single Currency Programme. All the WAMZ Member States, ECOWAS Commission and WAMI were represented at the Meeting.

The Meeting considered and noted the Report on macroeconomic developments and convergence in the WAMZ as at the end of June 2018 and urged Member States to:

- Deepen structural reforms and diversify their economic base given the strong linkages between structural reforms and macroeconomic development;
- Address the multiple legal and regulatory constraints, as well as, infrastructure and logistic weaknesses to capitalise on the potential competitive advantage in several manufacturing subsectors which, if nurtured, could accelerate industrialisation;

- Monitor infrastructure developments in the region, which are financed by external borrowing to ensure that revenue streams, generated in local currencies were adequate to meet debt obligations when they fall due;
- Put in place better revenue regimes, including progressive elimination of the vast array of exemptions and leakages that drain tax systems, to capture the gains from growth and rapid structural change that some countries were experiencing;
- Intensify efforts to ensure the provision of reliable trade statistics, improve coordination among agencies responsible for the implementation of trade and trade-related issues, as well as, the provision of adequate funding to enable the responsible institutions in Member States meet their targets and deliverables;
- Deepen and broaden sensitisation on the ECOWAS Trade Liberalisation Scheme (ETLS) to enable more companies participate in the Scheme. Member States were also encouraged to harmonise trade policies with the protocols of the ETLS and the common external tariffs (CET), as well as, to encourage proper identification and automation of the ETLS products and the CET tariff lines;
- Directed WAMI to prepare a form of ombudsman framework to investigate and address the repeated non-compliance of member states with the recommendations made by the Council on challenges observed during multilateral surveillance visits;
- Directed WAMI to prepare a concept note on the institutionalisation of the College of Insurance and Non-Bank Financial Institutions Supervisors for consideration at the next meeting;
- Explore the possibility of facilitating national currency swaps among Member States through their respective central banks, similar to the arrangements between some Member States and China, with a view to improving trade financing in the Zone; and
- Further promote quoting and trading in the WAMZ national currencies.

5.3.3 West African Monetary Agency (WAMA)

The 2018 End-of-Year Statutory Meeting of the West African Monetary Agency took place in Dakar, Senegal, from February 18-21, 2019. The Meeting was attended by representatives of central banks of Member States of the ECOWAS, and, Ministries of Finance of the respective countries, as well as, other Regional Institutions.

The Technical Committee reviewed the following documents and presented recommendations to the Committee of Governors for approval:

- Director General's Progress Report;
- Report on the ECOWAS Monetary Cooperation Programme for 2018;
- Report on Exchange Rate Developments of ECOWAS Currencies as at End-December 2018;
- Study on the Effectiveness of the Interest Rate Channel of Monetary Policy Transmission Mechanism in ECOWAS; and
- Proposed WAMA Budget and Work Programme for 2019.

5.3.4 ECOWAS Single Currency Working Group Meeting

The 2nd Meeting of the ECOWAS Single Currency Working Group was held on June 10, 2019 at the headquarters of the ECOWAS Commission, Abuja, Nigeria. The Meeting reviewed the study reports and proposals of two Consultants on the "Choice of Monetary Policy Framework and Exchange Rate Regime", and "Model of the Common Central Bank", which are essential for the establishment of the proposed monetary union in ECOWAS.

The Meeting was attended by representatives of the ECOWAS Commission, Central Bank of Nigeria (CBN), Central Bank of West African States (BCEAO), Bank of Ghana (BoG), Central Bank of the Republic of Guinea, West African Monetary Agency (WAMA), and West African Monetary Institute (WAMI). The United Nations Economic Commission for Africa (UNECA) attended the Meeting as an observer.

6.0 OUTLOOK FOR THE SECOND HALF OF 2019

The outlook for Nigeria's economy for the second half of 2019 is cautiously optimistic, amidst structural imbalances, weakening global demand and attendant adverse effects on crude oil prices. Despite these threats, growth in the near-term is expected to witness moderate expansion, premised on continued growth in the oil and non-oil sectors, consequent upon: improved domestic crude oil production and oil receipts; sustained stability in exchange rate; and continued interventions in critical sectors of the economy.

Productivity in the real sector is expected to be supported by government spending on infrastructure and CBN interventions in growth-stimulating sectors. Specifically, the renewed focus of the CBN in improving credit delivery to the agricultural and manufacturing sub-sectors, as well as, the micro, small and medium enterprises (MSMEs), would moderate unemployment and sustain the growth trajectory. In addition, the targeted FGN initiatives in the power and transport sub-sectors were expected to improve the macroeconomic environment, boost business and consumer confidence, increase lending and investment, expand production, generate employment and reduce poverty. However, there are headwinds that may undermine these expectations. These include: persistent structural imbalances, such as the high cost of production; general insecurity, especially in major food-producing areas; and less-than-expected returns from the forthcoming harvest that could lead to a build-up in inflationary pressures and weaken recovery.

The performance of the external sector in the second half of 2019 is expected to remain strong, due to anticipated improvement in crude oil prices and domestic oil production, sustained current account surplus, improvement in export, modest accretion to reserves, and stable exchange rate. Global economic developments, such as trade tensions between the United States and China, rising geopolitical tensions in the Middle East and the United States withdrawal from the 2015 Iranian nuclear deal are expected to impact positively on crude oil prices at the international market. In addition, the outlook in the near-term, would be reinforced by the CBN's initiatives towards the diversification of the economy by increasing its export base. On the other hand, uncertainties, arising from rising external debt; slowdown in global demand; and the risk of capital reversal are likely factors that could affect the viability of the external sector.

In the fiscal sector, there is moderate prospect for increased government revenue, as crude oil price is expected to average US$64.00 per barrel, which is above the budget benchmark of US$60.0 per barrel. Furthermore, the diversification of the economy and the expansion of the tax base, through recent tax reform measures, are expected to further boost government revenue. In addition, the expected increase in the pace of capital releases is expected to have a positive impact on the economy. However, depressed global demand, output cuts imposed by the OPEC and rising debt service obligation are major threats to the economy.

The financial sector is expected to remain resilient in the second half of 2019, on account of the CBN's commitment towards ensuring financial system stability, deeper inclusion through credit delivery, as well as, intensification of financial literacy and consumer protection programmes. The renewed policies, aimed at enhancing the payments system and cash-less initiative, are expected to ensure improved efficiency, safety and confidence in the Nigerian payments system. More so, the proposed extension of the BVN enrolment to other financial institutions to ease constraint of poor identification on access to credit would foster the synergies inherent in the financial inclusion-financial stability nexus.

Table 20
DMBs' Credit to the Core Private Sector: (Percentage Share)

Sources	Share in Outstanding (Per cent)						
	Jun-16	Dec-16	Jun-17	Dec-17	Jun-18	Dec-18	Jun-19
Agriculture	**3.09**	**3.26**	**3.19**	**3.36**	**3.41**	**4.03**	**4.20**
Industry	**37.89**	**38.82**	**39.61**	**39.56**	**38.46**	**40.99**	**39.59**
Mining & Quarrying	0.11	0.13	0.07	0.16	0.07	0.14	0.06
Manufacturing	13.25	13.75	14.11	13.79	13.16	14.74	15.32
Oil & Gas	21.66	22.26	22.46	22.72	22.52	23.45	22.00
of which DownStream, Natural Gas and Crude Oil Refining	21.66	22.26	22.46	22.72	22.52	23.45	22.00
Power and Energy	2.88	2.68	2.97	2.88	2.71	2.67	2.22
of which IPP and Power Generation	2.88	2.68	2.97	2.88	2.71	2.67	2.22
Construction	**3.91**	**3.92**	**4.01**	**4.17**	**3.99**	**4.06**	**4.39**
Trade/General Commerce	**6.56**	**6.11**	**6.11**	**6.50**	**6.81**	**7.11**	**6.57**
Government	**8.91**	**8.45**	**8.70**	**8.84**	**9.61**	**9.00**	**8.75**
Services	**39.62**	**39.44**	**38.38**	**37.57**	**37.72**	**34.80**	**36.49**
Real Estate	4.61	4.91	5.06	4.79	4.85	4.12	3.85
Finance, Insurance and Capital Market	5.51	5.82	5.79	7.15	6.46	7.31	7.48
Education	0.56	0.54	0.48	0.46	0.47	0.38	0.40
Oil & Gas	7.32	7.87	6.94	7.38	8.05	7.25	7.02
of which Upstream and Oil & Gas Services	7.32	7.87	6.94	7.38	8.05	7.25	7.02
Power and Energy	1.53	1.82	1.92	1.91	2.09	2.04	1.95
of which Power Transmission and Distribution	1.53	1.82	1.92	1.91	2.09	2.04	1.95
Others	20.09	18.48	18.18	15.88	15.80	13.71	15.80
of which: i. General	8.53	8.16	8.16	6.59	6.14	5.95	6.71
ii. Information & Communication	6.08	5.25	5.00	4.92	5.31	3.60	4.55
iii. Transportation & Storage	2.94	2.80	2.57	2.11	1.98	1.92	2.10
Total Private Sector Credit	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

Source: Central Bank of Nigeria

Table 21

Money Market Rates: First Half 2019
(Per cent)

WEIGHTED AVERAGE						
Month	MPR	Interbank Call Rate	OBB	NIBOR: Call	NIBOR: 30 Days	NIBOR: 90 Days
Jan - 19	14.00	12.14	17.54	19.09	14.79	
Feb - 19	14.00	16.71	18.29	18.86	11.92	
Mar - 19	13.50	10.80	12.07	12.88	10.83	
Apr - 19	13.50	13.98	15.87	16.27	12.07	
May - 19	13.50	7.31	8.25	8.68	11.51	
Jun - 19	13.50	6.88	7.67	16.43	22.73	
1st Half 2019 Average	**13.67**	**11.30**	**13.28**	**15.37**	**13.98**	**#DIV/0!**
Jan - 18	14.00	14.72	10.04	11.24	15.00	16.21
Feb - 18	14.00	23.54	18.40	19.91	15.12	15.79
Mar - 18	14.00	16.06	13.92	15.97	15.32	16.38
Apr - 18	14.00	3.10	2.88	3.88	12.91	14.08
May - 18	14.00	25.43	18.37	22.77	13.15	14.45
Jun - 18	14.00	5.00	11.13	11.65	13.94	14.43
1st Half 2018 Average	**14.00**	**14.64**	**12.46**	**14.24**	**14.24**	**15.22**
1st Half 2017 Average	**14.00**	**24.58**	**28.97**	**31.41**	**28.43**	**29.59**

Sources: Central Bank of Nigeria and Financial Markets Dealers Association

Table 22
Selected Interest Rates: First Half 2019
(Per cent)

Month	Savings	Average Term Deposit	Prime Lending	Maximum Lending
Jan - 19	4.07	8.18	16.01	30.48
Feb - 19	4.07	8.15	16.08	30.56
Mar - 19	3.97	8.22	14.92	30.83
Apr - 19	3.91	8.01	15.39	30.89
May - 19	3.91	8.02	15.33	31.07
Jun - 19	3.93	7.99	15.80	31.04
1st Half 2019 Average	**3.98**	**8.09**	**15.59**	**30.81**
1st Half 2018 Average	**4.07**	**8.12**	**17.25**	**31.39**

Source: Central Bank of Nigeria

Table 23
Open Market Operations (OMO) Sessions

Period	Total Bids (N' Million)	Amount Sold (N' Million)	Average Tenor (Days)	Average Yield (%)
2015				
January	1,637,224.91	1,295,880.94	165	15.29
February	279,283.49	217,327.54	193	16.09
March	586,859.44	543,859.44	188	16.09
April	1,027,454.90	933,744.73	261	16.44
May	657,106.07	524,540.43	206	15.24
June	979,350.37	746,365.40	145	14.55
Total	**5,167,279.18**	**4,261,718.48**		
Average	**861,213.20**	**710,286.41**	**193**	**15.61**
July	963,380.00	771,823.00	227	15.34
August	226,718.00	73,269.00	346	16.14
September	402,805.00	-	-	-
October	-	-	-	-
November	-	-	-	-
December	736,952.00	482,153.00	303	8.57
Total	**2,329,855.00**	**1,327,245.00**		
Average	**582,463.75**	**442,415.00**	**292**	**13.35**
2016				
January	913,260.00	698,420.00	186	8.15
February	630,890.00	509,230.00	175	8.08
March	706,990.00	394,630.00	231	8.81
April	710,300.00	363,720.00	233	9.72
May	367,700.00	64,630.00	288	10.56
June	540,800.00	299,120.00	285	12.93
Total	**3,869,940.00**	**2,329,750.00**		
Average	**644,990.00**	**388,291.67**	**233**	**9.71**
July	909,780.00	695,210.00	233	19.38
August	2,248,650.00	1,728,150.00	275	17.87
September	1,067,340.00	1,057,950.00	232	20.64
October	832,900.00	807,020.00	234	20.67
November	732,660.00	665,570.00	278	17.25
December	633,140.00	575,970.00	266	21.12
Total	**6,424,470.00**	**5,529,870.00**		
Average	**1,070,745.00**	**921,645.00**	**253**	**19.49**
2017				
January	1,237,870.00	700,520.00	248	20.89
February	621,146.00	619,140.00	249	21.06
March	418,192.00	391,160.00	252	20.93
April	376,660.00	316,090.00	266	21.11
May	585,900.00	580,080.00	259	21.03
June	1,354,120.00	1,267,280.00	252	19.65
Total	**4,593,888.00**	**3,874,270.00**		
Average	**765,648.00**	**645,711.67**	**254**	**20.78**
July	1,546,700.00	1,517,530.00	260	21.00
August	1,175,660.00	1,104,570.00	205	19.86
September	787,080.00	741,850.00	219	19.25
October	1,204,690.00	1,179,200.00	226	16.49
November	1,568,350.00	1,461,130.00	226	16.41
December	1,468,530.00	1,467,930.00	219	15.61
Total	**7,751,010.00**	**7,472,210.00**		
Average	**1,291,835.00**	**1,245,368.33**	**226**	**18.11**
2018				
January	2,132,608.00	2,132,608.00	163	14.71
February	919,310.30	845,282.70	173	14.42
March	1,599,250.20	1,561,378.30	199	14.57
April	3,423,078.00	2,084,455.30	189	13.54
May	2,484,392.20	2,033,421.30	201	13.65
June	1,092,612.10	1,086,612.10	230	12.51
Total	**11,651,250.80**	**9,743,757.70**		
Average	**1,941,875.13**	**1,623,959.62**	**193**	**13.90**
July	1,669,120.00	1,669,120.00	203	12.40
August	1,694,130.00	1,529,930.00	178	12.30
September	2,029,460.00	1,651,510.00	177	12.29
October	1,749,510.00	1,743,640.00	213	13.92
November	3,128,050.00	3,020,280.00	227	14.14
December	2,994,770.00	2,991,920.00	222	14.15
Total	**13,265,040.00**	**12,606,400.00**		
Average	**2,210,840.00**	**2,101,066.67**	**203**	**13.20**
2019				
January	3,113,720.00	3,113,720.00	214	14.60
February	3,721,500.00	3,474,130.00	236	14.73
March	2,574,900.00	2,158,570.00	188	13.62
April	991,410.00	841,200.00	253	14.34
May	1,529,970.00	1,152,690.00	241	13.29
June	1,166,120.00	1,130,620.00	243	13.30
Total	**13,097,620.00**	**11,870,930.00**		
Average	**2,182,936.67**	**1,978,488.33**	**229**	**13.98**

Source: Central Bank of Nigeria

Table 24
Treasury Bills: Issues and Allotments
(Naira Million)

Period	Issues	Central Bank	Allotment to Subscriber: Deposit Money Banks	Allotment to Subscriber: Non-Bank Public
2015				
June	380,023.16	0.00	212,850.32	167,172.84
December	352,034.71	0.00	344,843.52	7,191.20
Annual Total	**3,845,317.30**	**0.00**	**2,686,460.16**	**1,158,857.14**
Annual Average	**320,443.11**	**0.00**	**223,871.68**	**96,571.43**
2016				
June	480,753.95	28,000.00	260,910.92	191,843.03
December	347,920.69	43,511.80	157,769.48	146,639.42
Annual Total	**4,555,502.05**	**163,590.48**	**2,329,090.90**	**2,062,820.67**
Annual Average	**379,625.17**	**13,632.54**	**194,090.91**	**171,901.72**
2017				
June	487,067.69	0.00	217,907.79	269,159.90
December	0.00	0.00	0.00	0.00
Annual Total	**4,495,472.98**	**127,180.46**	**2,495,904.08**	**1,872,388.44**
Annual Average	**374,622.75**	**10,598.37**	**207,992.01**	**156,032.37**
2018				
June	220,867.59	0.00	38,248.38	182,619.21
December	0.00	0.00	0.00	0.00
Annual Total	**3,342,388.31**	**0.00**	**1,763,470.22**	**1,578,918.08**
Annual Average	**278,532.36**	**0.00**	**146,955.85**	**131,576.51**
2019				
January	554,922.91	73,450.55	222,241.10	259,231.25
February	268,503.85	0.00	93,918.57	174,585.28
March	138,065.00	0.00	106,324.95	31,740.04
April	154,171.38	0.00	97,559.09	56,612.29
May	210,923.77	0.00	163,520.54	47,403.24
June	147,254.83	0.00	82,803.63	64,451.20
Half Year Total	**1,473,841.73**	**73,450.55**	**766,367.88**	**634,023.30**
Half Year Average	**245,640.29**	**12,241.76**	**127,727.98**	**105,670.55**

Source: Central Bank of Nigeria

Table 25
Monetary and Credit Developments 3/
(₦' Million)

Item	Jun 2015	Dec 2015	Jun 2016	Dec 2016	Jun 2017	Dec 2017	Jun 2018	Dec 2018 /4	Jun 2019 /4
(1) Domestic Credit (Net)	**21,409,774.20**	**21,612,452.09**	**24,623,626.70**	**26,857,719.34**	**27,236,433.60**	**25,929,552.00**	**25,086,874.73**	**27,574,319.41**	**32,332,626.73**
(a) Claims on Federal Government (Net)	**2,511,101.09**	**2,891,946.66**	**3,171,443.45**	**4,875,570.30**	**5,250,486.41**	**3,638,893.69**	**2,805,008.21**	**4,866,094.44**	**7,581,492.53**
By Central Bank	-769,517.43	-1,653,067.50	-1,185,761.66	109,158.25	232,806.35	-355,592.43	-457,922.57	342,214.29	2,754,064.22
By Commecial Banks	3,219,301.45	4,470,267.34	4,179,939.12	4,563,266.39	4,821,703.05	3,842,802.34	3,137,584.55	4,372,793.47	4,562,911.26
By Merchant Banks	61,317.08	74,746.83	177,266.00	203,145.66	195,977.01	151,683.77	125,346.22	120,802.84	229,573.89
By Non Interest Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
By Primary Mortgage Banks								7,426.95	7,206.55
By Microfinance Banks								22,856.90	27,736.61
(b) Claims on Private Sector	**18,898,673.11**	**18,720,505.43**	**21,452,183.25**	**21,982,149.04**	**21,985,947.18**	**22,290,658.31**	**22,281,866.53**	**22,708,224.97**	**24,751,134.20**
By Central Bank	5,093,071.50	5,061,611.28	5,402,940.93	5,298,255.90	5,692,288.30	5,870,697.13	6,420,376.25	6,574,674.48	8,504,880.87
By Commercial Banks	13,712,964.87	13,568,543.70	15,903,577.86	16,500,150.26	16,092,233.81	16,193,858.35	15,615,487.94	15,438,603.87	15,461,318.86
By Merchant Banks	68,535.18	62,845.80	111,828.57	145,180.11	161,090.01	176,742.22	196,447.33	229,603.16	269,224.31
By Non Interest Banks	24,101.56	27,504.65	33,835.89	38,562.77	40,335.06	49,360.61	49,555.01	56,127.30	83,435.67
By Primary Mortgage Banks								169,466.28	180,943.63
By Microfinance Banks								239,749.87	251,330.86
(i) Claims on State and Local Govts	**472,792.84**	**585,060.12**	**729,427.54**	**989,541.97**	**1,180,310.12**	**1,544,829.78**	**1,628,824.48**	**1,553,644.79**	**1,595,805.35**
By Central Bank	0.00	0.00	27,800.00	300,379.00	495,915.00	640,431.37	656,531.37	656,531.37	719,474.05
By Commercial Banks	471,430.12	583,817.73	698,822.78	681,830.36	678,439.76	892,044.23	959,904.40	885,257.08	838,406.87
By Merchant Banks	0.00	0.00	1,650.14	6,272.36	4,996.57	6,285.23	5,609.80	1,681.84	1,020.60
By Non Interest Banks	1,362.72	1,242.40	1,154.62	1,060.25	958.80	6,068.95	6,778.90	10,165.01	36,894.34
By Primary Mortgage Banks								9.49	9.49
By Microfinance Banks								0.00	0.00
(ii) Claims on Non-Financial Public Ent's	**51,033.53**	**25,588.01**	**319,694.07**	**25,603.30**	**32,984.48**	**27,524.42**	**164,064.18**	**44,859.43**	**44,565.91**
By Central Bank	51,033.53	25,588.01	319,694.07	25,603.30	32,984.48	27,524.42	164,064.18	44,859.43	44,565.91
By Commercial Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
By Merchant Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
By Non Interest Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
By Primary Mortgage Banks								0.00	0.00
By Microfinance Banks								0.00	0.00
(iii) Claims on Other Private Sector	**18,374,846.74**	**18,109,857.30**	**20,403,061.64**	**20,967,003.77**	**20,772,652.59**	**20,718,304.11**	**20,488,977.87**	**21,109,720.74**	**23,110,762.94**
By Central Bank	5,042,037.96	5,036,023.27	5,055,446.86	4,972,273.60	5,163,388.82	5,202,741.34	5,599,780.69	5,873,283.68	7,740,840.91
By Commercial Banks	13,241,534.75	12,984,725.98	15,204,755.08	15,818,319.90	15,413,794.05	15,301,814.12	14,655,583.54	14,553,346.79	14,622,912.00
By Merchant Banks	68,535.18	62,845.80	110,178.43	138,907.76	156,093.44	170,456.99	190,837.53	227,921.32	268,203.71
By Non Interest Banks	22,738.84	26,262.25	32,681.27	37,502.52	39,376.27	43,291.66	42,776.11	45,962.29	46,541.33
By Primary Mortgage Banks								169,456.79	180,934.14
By Microfinance Banks								239,749.87	251,330.86
(2) Foreign Assets (Net)	**5,951,452.90**	**5,653,320.37**	**7,105,663.47**	**9,149,659.29**	**8,468,080.62**	**15,520,760.99**	**18,337,532.47**	**18,397,816.89**	**18,471,241.48**
By Central Bank	5,795,959.61	5,545,320.51	6,840,426.38	8,790,652.82	8,378,904.55	15,134,616.53	17,844,063.96	18,181,445.77	17,569,374.55
By Commercial Banks	159,892.93	125,384.36	254,493.47	346,200.38	101,695.18	422,361.51	551,440.52	294,364.52	968,607.83
By Merchant Banks	-5,946.22	-18,785.78	8,455.14	11,711.36	-21,000.64	-41,666.45	-63,082.90	-86,221.29	-80,166.22
By Non Interest Banks	1,546.58	1,401.28	2,288.47	1,094.72	8,481.53	5,449.39	5,110.89	8,227.89	13,425.32
By Primary Mortgage Banks								0.00	0.00
By Microfinance Banks								0.00	0.00
(3) Other Assets (Net)	**-5,684,031.66**	**-5,546,912.18**	**-7,715,728.00**	**-7,505,491.25**	**-7,385,235.26**	**-12,780,728.39**	**-14,080,577.65**	**-12,612,887.76**	**-15,785,097.10**
Total Monetary Assets	**21,677,195.44**	**21,718,860.28**	**24,013,562.17**	**28,501,887.38**	**28,319,278.95**	**28,669,584.60**	**29,343,829.54**	**33,359,248.53**	**35,018,771.11**
Quasi-Money /1	**12,269,037.20**	**11,458,129.82**	**12,559,032.07**	**12,320,225.75**	**11,790,391.44**	**12,965,060.24**	**14,112,894.51**	**15,316,017.08**	**16,733,203.28**
Money Supply (M1)	**6,542,392.20**	**8,571,701.30**	**9,518,981.39**	**11,271,506.82**	**10,190,190.92**	**11,175,573.96**	**10,701,110.00**	**11,752,557.98**	**11,159,122.62**
Currency Outside Banks	1,183,988.38	1,456,096.85	1,379,045.17	1,820,415.90	1,477,147.44	1,782,664.58	1,519,902.32	1,912,975.63	1,651,095.92
Demand Deposits /2	5,358,403.82	7,115,604.46	8,139,936.23	9,451,090.92	8,713,043.48	9,392,909.39	9,181,207.68	9,839,582.35	9,508,026.70
Money Supply (M2)	18,811,429.40	20,029,831.12	22,078,013.46	23,591,732.58	21,980,582.35	24,140,634.21	24,814,004.52	27,068,575.06	27,892,325.89
Central Bank Securities (CBN Bills)	2,865,766.04	1,689,029.17	1,935,548.71	4,910,154.80	6,338,696.60	4,528,950.39	4,529,825.03	6,290,673.48	7,126,445.22
Total Monetary Liabilities	**21,677,195.44**	**21,718,860.28**	**24,013,562.17**	**28,501,887.38**	**28,319,278.95**	**28,669,584.60**	**29,343,829.54**	**33,359,248.54**	**35,018,771.11**
GROWTH RATE OVER THE PRECEDING DECEMBER (In Percentages)									
Credit to the Domestic Economy (Net)	11.08	12.13	13.93	24.27	1.41	-3.46	-3.25	6.34	17.26
Credit to the Private Sector	4.26	3.28	14.59	17.42	0.02	1.40	-0.04	1.87	9.00
Claims on Federal Government (Net)	118.79	151.98	9.66	68.59	7.69	-25.36	-22.92	33.72	55.80
By Central Bank	64.07	22.81	28.27	106.60	113.27	-423.90	106.62		
Claims on State and Local Governments	-12.25	8.59	24.68	69.14	19.28	56.12	5.44	0.57	2.71
Claims on Non-Financial Public Enterprises	99.42	-0.01	1,149.39	0.06	28.83	7.50	496.07	62.98	-0.65
Claims on Other Private Sector	4.63	3.12	12.66	15.78	-0.93	-1.19	-1.11	1.89	9.48
Foreign Assets (Net)	-14.42	-18.71	25.69	61.85	-7.45	69.63	18.15	18.54	0.40
Quasi-Money	2.17	-4.58	9.61	7.52	-4.30	5.23	8.85	18.13	9.25
Money Supply (M1)	-4.87	24.64	11.05	31.50	-9.59	-0.85	-4.25	5.16	-5.05
Money Supply (M2)	-0.39	6.06	10.23	17.78	-6.83	2.33	2.79	12.13	3.04
Central Bank Securities (CBN Bills)	22.82	-27.61	14.60	190.71	29.09	-7.76	0.02	38.90	13.29
Money Supply (M3)	2.16	2.36	10.57	31.23	-0.64	0.59	2.35	16.36	4.97
Other Assets (Net)	-14.10	-11.35	-39.10	-35.31	1.60	-70.29	-10.17	1.31	-25.15

Source: Central Bank of Nigeria

/1 Quasi-Money consists of Time, Savings and Foreign Currency Deposits of Deposit Money Banks excluding takings from Discount Houses.

/2 Demand Deposits consist of state and local government as well as parastatals deposits at the CBN on the one hand; and state and local government and private sector deposits as well as demand deposits of non-financial public enterprises at the Deposit Money Banks, on the other.

/3 Adoption of International Financial Reporting Standard (IFRS) and bank returns in compliance with the IFRS commenced in March 2015. Table presentation is revised.

/4 Provisional

Table 26
Value of Money Market Assets 1/
(Naira Million)

Instrument	2015		2016		2017		2018		2019 /2
	June	Dec	June	Dec	June	Dec	June	Dec	June
Treasury Bills	2,824,952.25	2,772,867.04	2,901,807.05	3,277,278.83	3,702,831.68	3,579,799.14	2,953,580.70	2,735,967.54	2,651,514.04
Certificates of Deposits	38,693.10	75,702.83	55,020.04	0.00	0.00	59,497.94	59,449.33	59,692.38	59,672.93
Commercial Papers	6,679.00	6,291.85	3,546.10	490.47	497.34	515.98	27,175.48	9,863.80	41,202.37
Bankers' Acceptances	8,596.28	28,417.89	29,755.86	27,795.30	41,039.93	26,428.84	3,826.11	12,179.42	3,553.19
FGN Bonds	5,300,418.82	5,808,140.82	7,473,539.17	7,564,937.47	8,134,876.26	8,715,811.65	8,927,657.64	9,334,737.98	9,691,417.04
FGN Savings Bonds /3					4,754.08	7,197.33	8,521.32	10,750.44	10,431.84
FGN Sukuk /3						100,000.00	100,000.00	200,000.00	200,000.00
FGN Green Bond /3						10,690.00	10,690.00	10,690.00	25,690.00
Total	**8,179,339.46**	**8,691,420.43**	**10,463,668.22**	**10,870,502.06**	**11,883,999.29**	**12,499,940.88**	**12,090,900.58**	**12,373,881.55**	**12,683,481.42**
Percentage Change Over Preceding December									
Treasury Bills	0.33	-1.52	4.65	18.19	12.98	9.23	-17.49	-23.57	-3.09
Certificates of Deposits	-24.06	48.57	-27.32	-100.00			-0.08	0.33	-0.03
Commercial Papers	-32.00	-35.94	-43.64	-92.20	1.40	5.20	5166.79	1811.67	317.71
Bankers' Acceptances	-1.84	224.51	4.71	-2.19	47.65	-4.92	-85.52	-53.92	-70.83
FGN Bonds	10.60	21.20	28.67	30.25	7.53	15.21	2.43	7.10	3.82
FGN Savings Bonds /3							18.40	49.37	-2.96
FGN Sukuk /3							0.00	100.00	0.00
FGN Green Bond /3							0.00	0.00	140.32
Percentage Change of Total	**6.54**	**13.21**	**20.39**	**25.07**	**9.32**	**14.99**	**-3.27**	**-1.01**	**2.50**

Source: Central Bank of Nigeria
/1 Revised
/2 Provisional
/3 FGN Savings Bond, FGN Sukuk and FGN Green Bond were introduced by the Debt Management Office in March, September and December 2017, respectively.

Table 27
Selected Interest Rates /1
(End-Period Rate)

	2015		2016		2017		2018		2019
	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun
End-Period Rates									
Monetary Policy Rate	13.00	11.00	12.00	14.00	14.00	14.00	14.00	14.00	13.50
Treasury Bills Issue Rate	12.16	6.31	13.47	17.94	17.18	15.36	11.50		
Weighted Average Rates									
Inter-bank Call Rate	10.85	0.77	35.26	10.39	13.46	9.49	5.00	22.68	8.38
NIBOR Call Rate	14.07	1.04	20.34	8.53	32.88	9.71	11.65		
NIBOR 30-days	14.54	9.11	17.62	16.34	30.84	16.95	13.94		
NIBOR 90-days	15.30	10.84	18.43	18.66	31.55	18.12	14.43		
Open Buy Back (OBB)	10.65	0.98	21.75	7.35	29.57	8.46	10.84	22.94	8.71
Deposit Money Banks (DMBs) (Weighted Average Rates)									
Savings Deposit Rate	3.60	3.33	3.61	4.18	4.08	4.08	4.07	4.07	3.93
Time Deposit Rate (3 months)	10.27	6.91	6.92	8.80	9.01	9.61	9.38	9.50	9.10
Prime Lending Rate	17.24	16.96	16.78	17.09	17.59	17.71	16.78	16.17	15.80
Maximum Lending Rate	26.84	26.84	26.93	28.55	30.94	30.99	31.17	30.52	31.04

Sources: Financial Market Dealers Association (FMDA) and Central Bank of Nigeria

/1 Revised

Table 28
Federation Account Operations
(₦' Billion)

	2015 1st Half	2016 1st Half	2017 1st Half	2018 1/ 1st Half	2019 2/ 1st Half	2019 Half Year Budget
Total Revenue (Gross)	**3,452.84**	**2,395.44**	**2,992.83**	**4,497.60**	**4,590.87**	**7,476.41**
Oil Revenue (Gross)	**2,049.78**	**1,203.32**	**1,613.02**	**2,686.12**	**2,632.94**	**4,792.96**
Crude oil and Gas Exports	489.49	194.98	213.17	207.54	224.07	795.22
PPT and Royalties etc.	898.33	526.82	645.86	1,767.36	1,635.32	3,249.62
Domestic Crude Oil / Gas Sales	607.21	440.37	723.25	706.31	717.64	472.30
Other Oil Revenue	54.76	41.15	30.74	4.91	55.91	275.81
Dividend by NLNG	0.00	0.00	0.00	0.00	0.00	41.12
Less:						
Deductions	**450.66**	**241.04**	**631.60**	**329.54**	**642.86**	**861.12**
Oil Revenue (Net)	**1,599.12**	**962.28**	**981.43**	**2,356.58**	**1,990.07**	**3,931.84**
Non-oil Revenue	**1,403.06**	**1,192.12**	**1,379.80**	**1,811.48**	**1,957.93**	**2,683.45**
Corporate Tax	334.30	347.97	365.33	572.00	629.81	880.76
Customs & Excise Duties	265.67	242.05	294.84	328.02	405.88	344.60
Value-Added Tax (VAT)	398.84	391.18	465.31	541.26	597.11	851.95
Independent Revenue of Fed. Govt.	290.93	106.62	119.38	219.63	143.55	315.54
Education Tax	16.38	25.39	41.17	32.95	23.31	137.70
Customs Special Levies (Federation Account)	36.32	23.11	30.09	37.49	20.53	61.65
National Information Technology Development Fund (NITDF)	2.70	3.95	0.72	3.31	4.31	10.01
Customs Special Levies (Non-Federation Account)	57.92	51.85	62.97	76.83	133.42	78.66
Non-Regular Earning	0.00	0.00	0.00	0.00	0.00	1.25
Solid Minerals and Other Mining Revenue	0.00	0.00	0.00	0.00	0.00	1.33
Less:						
Cost of Collection	**48.54**	**46.59**	**80.14**	**74.97**	**85.34**	**104.81**
Non-Oil Revenue (Net)	**1,354.52**	**1,145.53**	**1,299.67**	**1,736.51**	**1,872.60**	**2,578.64**
Estimated Balances in Special Accounts for the previous year	0.00	0.00	0.00	0.00	0.00	8.59
Federally-collected revenue (Net)	**2,953.64**	**2,107.81**	**2,281.09**	**4,093.08**	**3,862.67**	**6,990.61**
Federation Account Allocation:	**2,953.64**	**2,107.81**	**2,281.09**	**4,093.08**	**3,862.67**	**6,990.61**
Transfer to Federal Govt. Ind. Revenue	290.93	106.62	119.38	219.63	143.55	315.54
Transfer to VAT Pool Account	382.88	375.53	446.70	519.89	573.23	817.82
Other Tranfers 3/	113.32	104.58	134.94	150.57	181.57	219.35
Amount Distributed	**2,166.51**	**1,521.07**	**1,580.07**	**3,202.98**	**2,964.32**	**5,637.90**
Federal Government	1,031.80	735.40	765.17	1,525.94	1,425.32	2,670.73
State Government	523.34	373.00	388.10	773.98	722.94	1,354.63
Local Government	403.48	287.57	299.21	596.71	557.36	1,044.36
13% Derivation	207.89	125.10	127.59	306.35	258.71	568.17
Vat Pool Account	**382.88**	**375.53**	**446.70**	**512.70**	**573.23**	**819.07**
FG	57.43	56.33	67.01	76.90	85.98	122.86
SG	191.44	187.77	223.35	256.35	286.61	409.53
LG	134.01	131.44	156.35	179.44	200.63	286.67
Special Funds (FGN)	**81.87**	**58.30**	**60.71**	**121.08**	**237.97**	**211.91**
Federal Capital Territory	19.59	13.91	14.52	28.97	56.93	50.70
Ecology	19.59	13.96	14.52	28.97	56.93	50.70
Statutory Stabilization	9.79	6.98	7.26	14.48	28.47	25.35
Natural Resources	32.90	23.45	24.40	48.66	95.64	85.17
FCT VAT	3.83	3.76	4.47	5.13	4.89	8.19
Overall Balance	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Memorandum Items						
Deductions	**450.66**	**241.04**	**631.60**	**329.54**	**642.86**	**861.12**
JVC Cash calls	383.66	194.98	460.65	282.72	553.49	0.00
Excess Crude Proceeds	0.00	0.00	14.37	0.00	6.31	0.00
Excess PPT & Royalty	15.50	0.00	117.17	24.50	0.00	0.00
Domestic Subsidy	0.00	0.00	0.00	0.00	0.00	0.00
DPR Cost of Collection	13.52	8.09	13.89	22.19	24.22	0.00
Others	37.98	37.98	25.52	0.13	58.84	861.12
Total Non-Oil Revenue Deductions	**48.54**	**46.59**	**80.14**	**74.97**	**85.34**	**104.81**
Cost of Collection	**48.54**	**46.59**	**54.64**	**66.88**	**77.19**	**92.31**
7% NCS	18.60	16.92	20.60	22.95	28.40	28.44
4% FIRS	13.99	14.02	15.42	22.56	24.90	29.74
VAT	15.95	15.65	18.61	21.36	23.88	34.13
Non Regular Earnings	0.00	0.00	0.00	0.00	0.00	0.00
Non-Oil Revenue (Excess)	0.00	0.00	0.00	0.00	0.00	0.00
FIRS Tax Refunds	0.00	0.00	25.42	6.09	8.15	12.50
NCS Refunds	0.00	0.29	0.08	2.01	0.00	0.00
13% Derivation (Solid Mineral)	0.00	0.00	0.00	0.00	0.00	0.00

Source: Office of the Accountant-General of the Federation (OAGF)
1/ Revised
2/ Provisional
3/ Includes Education Tax, Customs Levies and NITDF

Table 29
Federally Collected Revenue Distribution
(₦' Billion)

	2015 1st Half	2016 1st Half	2017 1st Half	2018 1/ 1st Half	2019 2/ 1st Half	2019 Half Year Budget
Statuory Allocation	**2,166.51**	**1,521.07**	**1,580.07**	**3,202.98**	**2,964.32**	**5,637.90**
Federal Government	1,031.80	735.40	765.17	1,525.94	1,425.32	2,670.73
State Government	523.34	373.00	388.10	773.98	722.94	1,354.63
Local Government	403.48	287.57	299.21	596.71	557.36	1,044.36
13% Derivation	207.89	125.10	127.59	306.35	258.71	568.17
Vat Pool Account	**382.88**	**375.53**	**446.70**	**512.70**	**573.23**	**819.07**
FG	57.43	56.33	67.01	76.90	85.98	122.86
SG	191.44	187.77	223.35	256.35	286.61	409.53
LG	134.01	131.44	156.35	179.44	200.63	286.67
Distribution from Excess Oil Revenue 3/	**68.29**	**67.38**	**191.90**	**11.27**	**78.09**	**86.83**
Federal Government	51.88	53.47	101.67	5.16	35.79	45.74
State Government	7.04	7.86	38.72	2.62	18.15	23.20
Local Government	5.43	6.06	29.85	2.02	13.99	17.89
13% Derivation	3.94	0.00	21.66	1.46	10.15	0.00
Distribution from Non-Oil Excess Revenue 4/	**0.00**	**1.59**	**0.00**	**3.01**	**12.14**	**0.00**
Federal Government	0.00	0.84	0.00	1.59	6.40	0.00
State Government	0.00	0.42	0.00	0.80	3.24	0.00
Local Government	0.00	0.33	0.00	0.62	2.50	0.00
13% Derivation	0.00	0.00	0.00	0.00	0.00	0.00
Exchange Rate Gain 5/	**210.43**	**19.08**	**311.75**	**93.30**	**49.26**	**0.00**
Federal Government	96.44	8.91	145.98	42.76	22.62	0.00
State Government	48.92	4.52	74.04	21.69	11.47	0.00
Local Government	37.71	3.48	57.08	16.72	8.85	0.00
13% Derivation	27.36	2.17	34.65	12.13	6.31	0.00
Total Excluding VAT	**2,445.23**	**1,609.11**	**2,083.72**	**3,310.56**	**3,103.80**	**5,724.73**
Federal Government	1,180.12	798.61	1,012.81	1,575.45	1,490.12	2,716.48
State Government	579.30	385.80	500.87	799.09	755.81	1,377.83
Local Government	446.62	297.44	386.15	616.07	582.70	1,062.25
13% Derivation	239.19	127.26	183.90	319.95	275.18	568.17
Total Statutory Revenue and VAT Distribution	**2,828.11**	**1,984.65**	**2,530.42**	**3,823.26**	**3,677.03**	**6,544.00**
Federal Government	1,237.55	854.94	1,079.82	1,652.36	1,576.10	2,839.34
State Government	770.74	573.57	724.22	1,055.44	1,042.42	1,787.37
Local Government	580.63	428.87	542.49	795.51	783.33	1,348.93
13% Derivation	239.19	127.26	183.90	319.95	275.18	568.37

Source: Office of the Accountant-General of the Federation (OAGF)

1/ Revised

2/Provisional

3/ Includes NNPC Additional revenue, Excess Crude/PPT Revenue and Good & Valuable Consideration

4/ Includes Excess Bank Charges, Other Non-Mineral Revenue

5/ Include Forex Equalisation and Exchange Difference Non-Mineral Revenue

Table 30
Summary of Federal Government Finances
(₦' Billion)

	2015 1st Half	2016 1st Half	2017 1st Half	2018 1/ 1st Half	2019 2/ 1st Half	2019 Half Year Budget
Total Federal Government Retained Revenue	**1,583.20**	**1,305.75**	**2,348.05**	**2,005.46**	**2,030.15**	**4,232.63**
Share of Federation Account (Gross)	1,031.80	735.40	765.17	1,525.94	1,425.32	2,670.73
Share of VAT Pool Account	57.43	56.33	67.01	76.90	85.98	122.86
Federal Government Independent Revenue	290.93	106.62	119.38	219.63	143.55	315.54
Share of Excess Oil Revenue	51.88	53.47	101.67	5.16	35.79	45.74
Share from Non-Oil Excess	0.00	0.84	0.00	1.59	6.40	0.00
Exchange Gain	96.44	8.91	145.98	42.76	22.62	0.00
Others 3/	54.72	344.19	1,148.85	133.47	310.49	1,077.75
Total Expenditure	**2,259.66**	**2,517.21**	**3,287.78**	**3,856.21**	**4,531.24**	**5,191.87**
Recurrent Expenditure	**1,872.80**	**1,885.36**	**2,424.04**	**2,716.37**	**3,152.60**	**3,682.20**
Goods and Services	**1,166.06**	**1,178.01**	**1,323.06**	**1,511.73**	**1,769.74**	**2,251.52**
Personnel Cost	860.15	890.81	723.89	1,040.99	1,123.31	1,278.35
Pension	96.01	79.18	143.28	95.01	147.36	264.03
Overhead Cost	209.90	208.02	455.89	375.73	499.07	709.14
Interest Payments	**592.17**	**609.52**	**927.74**	**1,073.25**	**1,109.10**	**1,127.01**
Foreign	35.82	30.71	55.80	111.52	202.16	216.90
Domestic 4/	556.35	578.81	871.94	961.72	906.94	910.11
Transfers	**114.57**	**97.83**	**173.24**	**131.40**	**273.75**	**303.67**
Special Funds and others 5/	114.57	97.83	173.24	131.40	273.75	303.67
Capital Expenditure & Net Lending 6/	**274.53**	**346.18**	**541.42**	**911.61**	**1,148.48**	**1,258.64**
Domestic Financed Budgets	**274.53**	**346.18**	**541.42**	**911.61**	**1,148.48**	**1,258.64**
Budgetary	57.43	90.79	0.00	0.00	100.60	1,258.64
Subsidy	61.00	0.00	408.19	0.00	0.00	0.00
SURE-P/ Loan to Ex Dom Naira Account/ CDF Releases	156.10	0.00	133.23	172.51	1,047.88	0.00
Spillover from Previous Year Capital Budget	0.00	255.39	0.00	739.09	0.00	0.00
Transfers	**112.33**	**285.67**	**322.33**	**228.23**	**230.16**	**251.03**
NDDC	7.71	20.53	10.23	0.00	0.00	50.09
NJC	39.71	35.00	10.83	0.00	0.00	55.00
UBE	10.30	38.56	15.41	0.00	0.00	56.24
Refund of Signature Bonuses/Others	54.61	191.59	285.86	228.23	230.16	89.70
Balance Of Revenue And Expenditure						
Primary Surplus (+)/Deficit (-)	**-84.29**	**-601.94**	**-11.99**	**-777.50**	**-1,391.99**	**167.77**
Current Surplus (+)/Deficit (-)	**-289.60**	**-579.61**	**-75.99**	**-710.91**	**-1,122.45**	**550.43**
Overall Surplus (+)/Deficit (-)	**-676.46**	**-1,211.46**	**-939.73**	**-1,850.75**	**-2,501.10**	**-959.24**
Financing:	**676.46**	**1,211.46**	**939.73**	**1,850.75**	**2,501.10**	**959.24**
Foreign (Net)	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**401.41**
Domestic (Net)	**676.46**	**1,211.46**	**939.73**	**1,850.75**	**2,501.10**	**557.83**
Banking System	0.00	0.00	0.00	0.00	0.00	0.00
CBN	421.20	0.20	0.20	0.00	0.00	0.00
DMBs	0.00	0.00	0.00	0.00	0.00	0.00
Non Bank Public	330.00	524.60	0.00	410.00	410.00	401.41
Privatization Proceeds	72.60	5.92	0.00	0.00	0.00	105.00
Loans from Special Accts	24.01	296.51	0.00	0.00	0.00	51.42
Excess Crude	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Recoveries of Misappropriated Funds	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Other Funds	**249.85**	**384.42**	**939.73**	**1,440.75**	**2,091.10**	**401.41**

Source: Office of the Accountant-General of the Federation (OAGF)

1/ Revised

2/ Provisional

3/ Includes FGN balance of special accounts, transfers to CRF, Revenues from Special Accounts, payments to FGN and other statutory benefits

4/ Include Ways and Means Advances

5/ Includes FCT share of VAT

6/ Includes net deductions for loans on lent to State,local governments and Federal parastatals/companies.

Table 31
Functional Classification of Federal Government Recurrent and Capital Expenditure
(Naira Billion)

	2015 Half - Year	2016 Half - Year	2017 Half - Year	2018 Half - Year 1/	2019 Half - Year 2/
TOTAL EXPENDITURE	**2,259.66**	**2,517.21**	**3,287.78**	**3,856.21**	**4,531.24**
A. RECURRENT EXPENDITURE	**1,872.80**	**1,885.36**	**2,424.04**	**2,716.37**	**3,152.60**
A1. ADMINISTRATION	**607.41**	**649.01**	**592.42**	**784.12**	**890.28**
General Administration	206.57	280.36	255.88	314.69	375.47
Defence	150.73	137.62	125.50	175.65	192.27
Internal Security	250.12	231.03	211.04	293.78	322.54
A2. ECONOMIC SERVICES	**123.33**	**163.75**	**186.37**	**199.40**	**242.14**
Agriculture	23.28	24.76	28.76	32.85	37.96
Roads & Construction	23.47	25.13	30.13	33.59	39.03
Transport & Communications	53.98	57.65	68.17	76.81	89.03
Others	22.61	56.21	59.30	56.15	76.12
A3. SOCIAL & COMMUNITY SERVICES	**339.31**	**286.07**	**401.00**	**433.20**	**489.96**
Education	158.83	160.03	194.45	218.40	252.90
Health	76.78	74.53	92.98	103.78	119.55
Others	103.69	51.52	113.56	111.02	117.52
A4. TRANSFERS	**802.75**	**786.53**	**1,244.26**	**1,299.65**	**1,530.22**
Public Debt Charges (Int)	592.17	609.52	927.74	1,073.25	1,109.10
Domestic	556.35	578.81	871.94	961.72	906.94
Foreign	35.82	30.71	55.80	111.52	202.16
Pensions & Gratuities	96.01	79.18	143.28	95.01	147.36
FCT & Others	114.57	97.83	173.24	131.40	273.75
Contingencies (Others)	-	-	-		-
External Obligations	-	-	-		-
Extra-Budgetary Expenditure	-	-	-		-
Deferred Customs Duties	-	-	-		-
Unspecified Expenditure	-	-	-		-
Others	-	-	-		-
B. CAPITAL EXPENDITURE	**274.53**	**346.18**	**541.42**	**911.61**	**1,148.48**
B1. ADMINISTRATION	**106.64**	**134.47**	**207.89**	**350.04**	**444.84**
General Administration	66.72	84.13	130.43	219.61	278.70
Defence	15.80	19.92	30.62	51.56	65.72
Internal Security	24.12	30.41	46.84	78.87	100.42
B2 ECONOMIC SERVICES	**112.05**	**141.30**	**223.38**	**376.11**	**470.04**
Agriculture & Natural Resources	21.20	24.86	40.78	68.66	85.81
Manuf., Mining & Quarrying	6.48	7.66	12.79	21.54	26.63
Transport & Communications	29.51	34.58	56.96	95.90	119.63
Housing	-	-	-	-	-
Roads & Construction	38.30	45.02	73.91	124.45	155.37
National Priority Projects	-	-	-	-	-
JVC Calls/NNPC Priority Projects	-	-	-	-	-
PTF	-	-	-	-	-
Counterpart Funding	-	-	-	-	-
Others	16.55	29.18	38.93	65.56	82.59
B3 SOCIAL & COMMUNITY SERVICES	**43.48**	**54.82**	**85.98**	**144.76**	**182.01**
Education	18.53	23.36	35.92	60.48	76.80
Health	15.03	18.95	29.20	49.17	62.37
Others	9.92	12.51	20.86	35.12	42.84
B4 TRANSFERS	**12.36**	**15.59**	**24.17**	**40.69**	**51.60**
Financial Obligations	-	-	-	-	-
Capital Repayments	-	-	-	-	-
Domestic	-	-	-	-	-
Foreign	-	-	-	-	-
External Obligations	-	-	-	-	-
Contingencies	-	-	-	-	-
Capital Supplementation	9.31	11.73	18.23	30.70	38.89
Net Lending to States/L.G.s/Parast.	-	-	-	-	-
Grants to States	-	-	-	-	-
Others	3.05	3.85	5.94	9.99	12.71
C. STATUTORY TRANSFERS	**112.33**	**285.67**	**322.33**	**228.23**	**230.16**
NDDC	7.71	20.53	10.23	0.00	0.00
NJC	39.71	35.00	10.83	0.00	0.00
UBE	10.30	38.56	15.41	0.00	0.00
Others	54.61	191.59	285.86	228.23	230.16

Sources: Federal Ministry of Finance, Office of the Accountant-General of the Federation and Central Bank of Nigeria
1/ Revised
2/ Provisional

Table 32
Summary of Statutory & VAT Revenue Allocation to State Governments
(Naira Billion)

First Half 2015

S/N	States	Gross Stat. Alloc.	Deductions	13% Derivation	Total Net Stat. Alloc.	Excess Oil Revenue 2/	Exchange Gain	VAT	Total Gross Alloc.	Total Net Alloc.
1	Abia	12.92	0.77	2.25	14.41	0.22	1.52	3.98	20.90	20.13
2	Adamawa	13.75	0.93	-	12.82	0.19	1.29	4.15	19.37	18.44
3	Akwa Ibom	13.88	0.70	60.83	74.01	1.41	9.46	4.68	90.25	89.55
4	Anambra	13.72	0.23	-	13.49	0.18	1.28	4.55	19.74	19.50
5	Bauchi	16.51	3.47		13.03	0.22	1.54	4.75	23.02	19.55
6	Bayelsa	12.21	9.62	40.21	42.81	0.90	6.28	3.49	63.09	53.47
7	Benue	15.48	3.09	-	12.38	0.21	1.45	4.47	21.60	18.51
8	Borno	17.15	0.09	-	17.06	0.23	1.60	4.42	23.40	23.31
9	Cross River	13.88	3.52	-	10.36	0.19	1.30	4.13	19.49	15.97
10	Delta	14.01	8.40	49.94	55.55	1.10	7.93	4.90	77.88	69.48
11	Ebonyi	12.35	4.45	-	7.90	0.17	1.15	3.68	17.34	12.90
12	Edo	12.90	4.73	6.06	14.24	0.29	1.99	4.26	25.49	20.77
13	Ekiti	12.34	3.45	-	8.89	0.17	1.15	3.72	17.38	13.93
14	Enugu	13.88	0.98	-	12.90	0.19	1.30	4.39	19.75	18.77
15	Gombe	13.00	4.02	-	8.98	0.18	1.22	3.77	18.16	14.15
16	Imo	14.35	2.74	2.14	13.74	0.23	1.62	4.38	22.72	19.98
17	Jigawa	15.43	0.13	-	15.30	0.21	1.44	4.65	21.74	21.60
18	Kaduna	18.08	3.21	-	14.88	0.24	1.69	5.40	25.41	22.21
19	Kano	21.89	0.42	-	21.47	0.29	2.05	7.26	31.49	31.07
20	Katsina	16.96	0.71	-	16.25	0.23	1.59	5.35	24.13	23.42
21	Kebbi	14.57	0.22	-	14.35	0.20	1.36	4.11	20.24	20.02
22	Kogi	15.25	1.62	-	13.64	0.21	1.43	4.11	21.00	19.38
23	Kwara	12.29	0.70	-	11.59	0.17	1.15	3.76	17.36	16.66
24	Lagos	18.49	13.93	-	4.56	0.25	1.73	36.74	57.21	43.27
25	Nasarawa	12.73	0.87	-	11.85	0.17	1.19	3.53	17.62	16.74
26	Niger	16.35	3.20	-	13.14	0.22	1.53	4.40	22.49	19.29
27	Ogun	12.82	0.99	-	11.83	0.17	1.20	4.49	18.68	17.70
28	Ondo	12.85	6.36	7.39	13.88	0.31	2.18	4.20	26.94	20.58
29	Osun	12.59	6.75	-	5.84	0.17	1.18	4.17	18.10	11.36
30	Oyo	15.48	1.69	-	13.79	0.21	1.45	5.60	22.73	21.04
31	Plateau	14.41	2.80	-	11.62	0.19	1.35	4.24	20.19	17.40
32	Rivers	14.88	8.36	39.07	45.60	0.94	6.46	5.90	67.26	58.90
33	Sokoto	15.21	0.25	-	14.96	0.20	1.42	4.27	21.11	20.86
34	Taraba	13.29	1.11	-	12.18	0.18	1.24	3.75	18.46	17.35
35	Yobe	13.70	0.11	-	13.59	0.18	1.28	3.68	18.85	18.74
36	Zamfara	13.73	2.41	-	11.32	0.18	1.28	4.10	19.30	16.89
37	Disputed Deriv.									
	Rivers/Akwa Disputed Fund									
	Total	523.34	107.06	207.89	624.17	10.99	76.27	191.44	1,009.93	902.88

First Half 2016

S/N	States	Gross Stat. Alloc.	Deductions	13% Derivation	Total Net Stat. Alloc.	Excess Non-Oil Revenue	Excess Oil Revenue 2/	Exchange Gain	VAT	Total Gross Alloc.	Total Net Alloc.
1	Abia	9.21	2.09	1.15	8.28	0.01	0.19	0.13	3.84	14.54	12.45
2	Adamawa	9.80	2.10	-	7.70	0.01	0.21	0.12	4.02	14.15	12.05
3	Akwa Ibom	9.89	7.51	40.22	42.60	0.01	0.21	0.82	4.30	55.45	47.94
4	Anambra	9.78	0.87	-	8.91	0.01	0.21	0.12	4.44	14.56	13.69
5	Bauchi	11.77	3.31	-	8.45	0.01	0.25	0.14	4.60	16.77	13.45
6	Bayelsa	8.70	17.40	21.06	12.37	0.01	0.18	0.46	3.39	33.81	16.41
7	Benue	11.03	5.13	-	5.90	0.01	0.23	0.13	4.43	15.84	10.71
8	Borno	12.22	2.02	-	10.21	0.01	0.26	0.15	4.35	16.99	14.98
9	Cross River	9.89	8.67	-	1.23	0.01	0.21	0.12	3.85	14.08	5.42
10	Delta	9.99	14.45	30.03	25.56	0.01	0.21	0.64	4.78	45.66	31.21
11	Ebonyi	8.80	0.89	-	7.91	0.01	0.19	0.11	3.57	12.67	11.79
12	Edo	9.20	6.31	3.04	5.93	0.01	0.19	0.16	4.30	16.91	10.60
13	Ekiti	8.80	6.12	-	2.67	0.01	0.19	0.11	3.67	12.76	6.64
14	Enugu	9.89	1.42	-	8.48	0.01	0.21	0.12	4.21	14.44	13.03
15	Gombe	9.27	4.86	-	4.41	0.01	0.20	0.11	3.68	13.27	8.41
16	Imo	10.23	4.38	1.13	6.97	0.01	0.22	0.14	4.30	16.03	11.65
17	Jigawa	11.00	0.72	-	10.28	0.01	0.23	0.13	4.48	15.86	15.13
18	Kaduna	12.89	2.36	-	10.53	0.01	0.27	0.16	5.30	18.63	16.27
19	Kano	15.60	2.09	-	13.51	0.02	0.33	0.19	7.16	23.30	21.20
20	Katsina	12.09	1.55	-	10.54	0.01	0.25	0.15	5.25	17.76	16.21
21	Kebbi	10.39	1.68	-	8.71	0.01	0.22	0.13	3.99	14.73	13.05
22	Kogi	10.87	1.92	-	8.95	0.01	0.23	0.13	4.02	15.26	13.35
23	Kwara	8.76	2.62	-	6.14	0.01	0.18	0.11	3.68	12.74	10.12
24	Lagos	13.18	14.22	-	(1.04)	0.01	0.28	0.16	36.48	50.11	35.90
25	Nasarawa	9.07	1.28	-	7.79	0.01	0.19	0.11	3.41	12.80	11.51
26	Niger	11.65	4.06	-	7.59	0.01	0.25	0.14	4.35	16.40	12.34
27	Ogun	9.14	7.47	-	1.67	0.01	0.19	0.11	4.26	13.71	6.24
28	Ondo	9.16	7.22	5.59	7.53	0.01	0.19	0.21	4.11	19.27	12.06
29	Osun	8.97	14.39	-	(5.42)	0.01	0.19	0.11	4.09	13.37	(1.02)
30	Oyo	11.03	3.82	-	7.21	0.01	0.23	0.13	5.86	17.27	13.45
31	Plateau	10.27	7.36	-	2.92	0.01	0.22	0.12	4.05	14.68	7.32
32	Rivers	10.61	11.64	22.87	21.84	0.01	0.22	0.52	6.05	40.28	28.64
33	Sokoto	10.84	1.23	-	9.61	0.01	0.23	0.13	4.23	15.44	14.21
34	Taraba	9.48	2.19	-	7.29	0.01	0.20	0.11	3.62	13.42	11.23
35	Yobe	9.77	0.79	-	8.98	0.01	0.21	0.12	3.63	13.73	12.94
36	Zamfara	9.79	5.58	-	4.21	0.01	0.21	0.12	4.01	14.14	8.56
37	Disputed Deriv.										
	Rivers/Akwa Disputed Fund										
	Total	373.00	181.69	125.10	316.41	0.42	7.86	6.69	187.77	700.83	519.14

First Half 2017

S/N	States	Gross Stat. Alloc.	Deductions	13% Derivation	Total Net Stat. Alloc.	Excess Oil Revenue 2/	Exchange Gain	VAT	Total Gross Alloc.	Total Net Alloc.
1	Abia	9.58	1.63	1.46	9.41	1.22	2.24	4.58	19.07	17.44
2	Adamawa	10.20	1.52	-	8.68	1.02	1.95	4.79	17.95	16.43
3	Akwa Ibom	10.29	4.35	38.58	44.52	6.69	12.79	5.12	73.48	69.13
4	Anambra	10.18	0.59	-	9.58	1.02	1.94	5.37	18.50	17.91
5	Bauchi	12.24	3.60	-	8.64	1.22	2.34	5.47	21.27	17.66
6	Bayelsa	9.06	5.90	26.85	30.01	5.38	8.70	4.36	54.34	48.44
7	Benue	11.48	2.42	-	9.06	1.15	2.19	5.24	20.06	17.64
8	Borno	12.72	1.37	-	11.35	1.27	2.43	5.19	21.60	20.24
9	Cross River	10.29	6.09	-	4.20	1.03	1.96	4.66	17.94	11.86
10	Delta	10.39	9.37	24.48	25.50	5.45	8.78	5.47	54.58	45.20
11	Ebonyi	9.16	0.64	-	8.52	0.91	1.75	4.34	16.16	15.52
12	Edo	9.57	3.97	1.25	6.85	1.14	2.10	5.04	19.11	15.13
13	Ekiti	9.15	4.07	-	5.08	0.91	1.75	4.35	16.16	12.08
14	Enugu	10.29	1.65	-	8.65	1.03	1.96	5.05	18.33	16.68
15	Gombe	9.64	2.71	-	6.93	0.96	1.84	4.36	16.81	14.10
16	Imo	10.64	3.51	1.53	8.66	1.38	2.43	5.15	21.13	17.62
17	Jigawa	11.45	0.47	-	10.97	1.14	2.18	5.41	20.18	19.71
18	Kaduna	13.41	1.69	-	11.72	1.34	2.56	6.59	23.89	22.20
19	Kano	16.23	2.14	-	14.09	1.62	3.10	10.42	31.37	29.23
20	Katsina	12.58	1.38	-	11.20	1.26	2.40	6.04	22.28	20.90
21	Kebbi	10.81	1.27	-	9.54	1.08	2.06	4.76	18.70	17.44
22	Kogi	11.31	1.85	-	9.46	1.13	2.16	4.81	19.41	17.56
23	Kwara	9.11	1.50	-	7.61	0.91	1.74	4.38	16.14	14.64
24	Lagos	13.71	8.83	-	4.88	1.37	2.62	38.29	55.99	47.15
25	Nasarawa	9.44	1.01	-	8.43	0.94	1.80	4.16	16.34	15.33
26	Niger	12.12	1.87	-	10.26	1.21	2.31	5.14	20.79	18.92
27	Ogun	9.51	4.85	-	4.66	0.95	1.81	5.17	17.44	12.59
28	Ondo	9.53	4.31	6.45	11.67	2.12	3.68	4.89	26.66	22.35
29	Osun	9.33	6.01	-	3.32	0.93	1.78	4.86	16.90	10.89
30	Oyo	11.48	2.67	-	8.81	1.15	2.19	7.67	22.48	19.81
31	Plateau	10.69	4.75	-	5.94	1.07	2.04	4.83	18.63	13.88
32	Rivers	11.04	7.39	26.98	30.62	6.27	9.22	8.95	62.45	55.07
33	Sokoto	11.28	0.87	-	10.41	1.13	2.15	4.96	19.52	18.65
34	Taraba	9.86	2.14	-	7.72	0.98	1.88	4.36	17.09	14.95
35	Yobe	10.16	0.50	-	9.66	1.01	1.94	4.35	17.47	16.96
36	Zamfara	10.18	4.02	-	6.16	1.02	1.94	4.74	17.88	13.86
37	Disputed Deriv.									
	Rivers/Akwa Disputed Fund									
	Total	388.10	112.92	127.59	402.77	60.38	108.69	223.35	908.11	795.19

Source: Federation Account Allocati
1/ Provisional
2/ Includes the share of oil-produci

Table 32 Contd.
Summary of Statutory & VAT Revenue Allocation to State Governments
(Naira Billion)

S/N	States	First Half 2018										First Half 2019 1/									
		Gross Stat. Alloc.	Deductions	13% Derivation	Total Net Stat. Alloc.	Excess Non-Oil Revenue	Excess Oil Revenue 2/	Exchange Gain	VAT	Total Gross Alloc.	Total Net Alloc.	Gross Stat. Alloc.	Deductions	13% Derivation	Total Net Stat. Alloc.	Excess Oil Revenue 2/	Exchange Gain	Excess Non-Oil Revenue	VAT	Total Gross Alloc.	Total Net Alloc.
1	Abia	19.11	2.38	4.04	**20.77**	0.02	0.31	0.47	5.31	**29.27**	**26.89**	17.85	2.83	3.31	**18.34**	0.58	0.37	0.08	5.86	28.06	25.23
2	Adamawa	20.33	2.77	-	**17.57**	0.02	0.26	0.38	5.49	**26.48**	**23.71**	18.99	2.97	0.00	**16.02**	0.48	0.30	0.09	6.07	25.93	22.96
3	Akwa Ibom	20.52	6.98	76.46	**90.01**	0.02	1.70	2.47	6.00	**107.17**	**100.20**	19.17	6.59	60.45	**73.02**	2.87	1.83	0.09	6.59	90.99	84.39
4	Anambra	20.29	0.76	-	**19.53**	0.02	0.26	0.38	6.23	**27.18**	**26.42**	18.96	0.85	0.00	**18.10**	0.48	0.30	0.09	6.89	26.71	25.86
5	Bauchi	24.41	5.82	-	**18.59**	0.02	0.31	0.46	6.21	**31.41**	**25.59**	22.80	5.65	0.00	**17.16**	0.57	0.36	0.10	6.95	30.79	25.14
6	Bayelsa	18.06	9.86	61.01	**69.21**	0.02	1.23	1.89	4.78	**86.99**	**77.13**	16.87	9.28	47.82	**55.41**	2.20	1.39	0.08	5.27	73.63	64.35
7	Benue	22.89	3.29	-	**19.60**	0.02	0.29	0.43	5.97	**29.60**	**26.30**	21.38	3.32	0.00	**18.06**	0.54	0.34	0.10	6.67	29.02	25.70
8	Borno	25.36	2.04	-	**23.32**	0.02	0.32	0.48	5.89	**32.07**	**30.03**	23.69	2.05	0.00	**21.64**	0.59	0.38	0.11	6.62	31.38	29.33
9	Cross River	20.52	9.34	0.00	**11.19**	0.02	0.26	0.39	5.27	**26.46**	**17.12**	19.17	8.97	0.00	**10.20**	0.48	0.30	0.09	5.85	25.90	16.93
10	Delta	20.72	13.81	83.38	**90.30**	0.02	1.82	2.65	6.40	**114.99**	**101.18**	19.36	7.12	80.55	**92.78**	3.81	2.33	0.09	7.38	113.50	106.38
11	Ebonyi	18.26	2.19	-	**16.07**	0.02	0.23	0.34	4.94	**23.79**	**21.60**	17.06	2.31	0.00	**14.75**	0.43	0.27	0.08	5.58	23.41	21.10
12	Edo	19.08	3.79	10.64	**25.93**	0.02	0.41	0.63	5.90	**36.67**	**32.88**	17.83	3.49	9.12	**23.45**	0.79	0.49	0.08	6.55	34.86	31.37
13	Ekiti	18.25	5.92	-	**12.33**	0.02	0.23	0.34	5.00	**23.84**	**17.91**	17.05	3.74	0.00	**13.31**	0.43	0.27	0.08	5.61	23.44	19.70
14	Enugu	20.53	1.68	-	**18.84**	0.02	0.26	0.39	5.55	**26.74**	**25.06**	19.17	1.64	0.00	**17.54**	0.48	0.30	0.09	6.30	26.34	24.71
15	Gombe	19.23	4.15	-	**15.08**	0.02	0.24	0.36	4.94	**24.78**	**20.63**	17.96	4.89	0.00	**13.07**	0.45	0.29	0.08	5.53	24.30	19.42
16	Imo	21.22	5.22	2.67	**18.67**	0.02	0.31	0.48	5.90	**30.60**	**25.38**	19.82	5.59	4.34	**18.58**	0.67	0.42	0.09	6.69	32.03	26.45
17	Jigawa	22.83	1.14	-	**21.69**	0.02	0.29	0.43	6.32	**29.88**	**28.75**	21.32	1.15	0.00	**20.17**	0.54	0.34	0.10	7.06	29.34	28.20
18	Kaduna	26.74	2.34	-	**24.41**	0.02	0.34	0.50	7.59	**35.19**	**32.86**	24.98	2.51	0.00	**22.47**	0.63	0.40	0.11	8.37	34.48	31.97
19	Kano	32.37	3.21	-	**29.16**	0.03	0.41	0.61	9.67	**43.09**	**39.88**	30.24	2.99	0.00	**27.25**	0.76	0.48	0.14	10.87	42.48	39.49
20	Katsina	25.09	4.43	-	**20.66**	0.02	0.32	0.47	6.92	**32.82**	**28.39**	23.43	1.92	0.00	**21.51**	0.59	0.37	0.11	7.64	32.14	30.22
21	Kebbi	21.55	1.82	-	**19.74**	0.02	0.27	0.40	5.48	**27.73**	**25.92**	20.13	1.85	0.00	**18.28**	0.51	0.32	0.09	6.09	27.14	25.29
22	Kogi	22.56	3.62	-	**18.94**	0.02	0.28	0.42	5.51	**28.79**	**25.17**	21.07	3.52	0.00	**17.55**	0.53	0.33	0.09	6.13	28.15	24.64
23	Kwara	18.17	2.43	-	**15.74**	0.02	0.23	0.34	5.06	**23.82**	**21.39**	16.97	2.98	0.00	**13.99**	0.43	0.27	0.08	5.55	23.30	20.32
24	Lagos	27.34	17.04	-	**10.30**	0.02	0.35	0.51	48.20	**76.43**	**59.38**	25.54	17.66	0.00	**7.88**	0.64	0.41	0.11	54.64	81.34	63.68
25	Nasarawa	18.82	1.53	-	**17.30**	0.02	0.24	0.35	4.73	**24.16**	**22.63**	17.58	2.18	0.00	**15.41**	0.44	0.28	0.08	5.33	23.71	21.53
26	Niger	24.18	3.61	-	**20.57**	0.02	0.31	0.45	5.89	**30.84**	**27.23**	22.58	3.59	0.00	**18.99**	0.57	0.36	0.10	6.65	30.26	26.67
27	Ogun	18.96	7.22	-	**11.74**	0.02	0.24	0.36	6.44	**26.01**	**18.79**	17.71	7.26	0.00	**10.46**	0.44	0.28	0.08	6.95	25.46	18.21
28	Ondo	19.00	4.00	9.29	**24.29**	0.02	0.43	0.63	5.58	**34.95**	**30.95**	17.75	4.13	6.62	**20.24**	0.69	0.45	0.08	6.30	31.90	27.77
29	Osun	18.61	14.52	-	**4.09**	0.02	0.24	0.35	5.55	**24.77**	**10.24**	17.39	14.53	0.00	**2.86**	0.44	0.28	0.08	6.16	24.34	9.81
30	Oyo	22.89	3.73	-	**19.16**	0.02	0.29	0.43	8.25	**31.88**	**28.16**	21.38	4.44	0.00	**16.94**	0.54	0.34	0.10	9.86	32.22	27.78
31	Plateau	21.31	6.90	-	**14.42**	0.02	0.27	0.40	5.49	**27.49**	**20.60**	19.91	5.87	0.00	**14.04**	0.50	0.32	0.09	6.11	26.92	21.05
32	Rivers	22.01	7.93	58.86	**72.94**	0.02	1.28	1.89	8.88	**92.94**	**85.01**	20.56	5.41	46.50	**61.65**	2.28	1.39	0.09	8.96	79.78	74.37
33	Sokoto	22.49	3.65	-	**18.84**	0.02	0.28	0.42	5.65	**28.87**	**25.22**	21.01	1.88	0.00	**19.13**	0.53	0.33	0.09	6.38	28.35	26.47
34	Taraba	19.66	2.75	-	**16.91**	0.02	0.25	0.37	4.95	**25.25**	**22.49**	18.36	2.52	0.00	**15.85**	0.46	0.29	0.08	5.46	24.66	22.14
35	Yobe	20.27	0.74	-	**19.53**	0.02	0.26	0.38	5.00	**25.92**	**25.18**	18.93	0.74	0.00	**18.19**	0.48	0.30	0.08	5.67	25.46	24.72
36	Zamfara	20.31	7.75	-	**12.57**	0.02	0.26	0.38	5.42	**26.39**	**18.64**	18.97	6.20	0.00	**12.77**	0.48	0.30	0.09	6.04	25.87	19.67
37	Disputed Deriv.				-																
	Rivers/Akwa Disputed Fund				-																
	Total	**773.98**	**180.36**	**306.35**	**899.97**	**0.69**	**15.24**	**22.66**	**256.35**	**1,375.28**	**1,194.92**	**722.94**	**164.59**	**258.71**	**817.06**	**28.30**	**17.79**	**3.24**	**286.61**	**1,317.59**	**1,153.01**

Table 33

Allocation to Local Governments from the Federation and VAT Pools Accounts 1/
(Naira Billion)

S/N	State	1st Half 2015						1st Half 2016						1st Half 2017				
		Fed. Acct.	Excess Crude	Exchange Gain	Additional Revenue	VAT	Total	Fed. Acct.	Excess Non-Oil Revenue	Exchange Gain	NLNG Dividend	VAT	Total	Fed. Acct.	Excess Crude	Exchange Gain	VAT	Total
1	Abia	8.37	0.06	0.78	0.05	2.36	**11.63**	5.97	0.01	0.07	0.13	2.3	**8.5**	6.21	0.62	1.18	2.73	**10.74**
2	Adamawa	10.56	0.07	0.99	0.07	2.82	**14.52**	7.53	0.01	0.09	0.16	2.7	**10.5**	7.83	0.78	1.49	3.27	**13.38**
3	Akwa-Ibom	14.07	0.10	1.32	0.09	4.02	**19.59**	10.03	0.01	0.12	0.21	3.8	**14.2**	10.43	1.04	1.99	4.52	**17.98**
4	Anambra	10.62	0.07	0.99	0.07	3.10	**14.86**	7.57	0.01	0.09	0.16	3.0	**10.9**	7.88	0.79	1.50	3.66	**13.82**
5	Bauchi	12.06	0.08	1.13	0.08	3.15	**16.50**	8.59	0.01	0.10	0.18	3.1	**11.9**	8.94	0.89	1.71	3.64	**15.18**
6	Bayelsa	4.91	0.03	0.46	0.03	1.25	**6.68**	3.50	0.00	0.04	0.07	1.2	**4.8**	3.64	0.36	0.69	1.62	**6.32**
7	Benue	13.12	0.09	1.23	0.09	3.24	**17.76**	9.35	0.01	0.11	0.20	3.2	**12.9**	9.73	0.97	1.86	3.79	**16.35**
8	Borno	14.24	0.10	1.33	0.09	3.55	**19.32**	10.15	0.01	0.12	0.21	3.5	**14.0**	10.56	1.05	2.02	4.17	**17.80**
9	Cross-River	9.18	0.06	0.86	0.06	2.53	**12.70**	6.54	0.01	0.08	0.14	2.4	**9.1**	6.81	0.68	1.30	2.88	**11.67**
10	Delta	11.77	0.08	1.10	0.08	3.63	**16.66**	8.39	0.01	0.10	0.18	3.6	**12.2**	8.73	0.87	1.66	4.12	**15.38**
11	Ebonyi	6.79	0.05	0.63	0.04	1.81	**9.33**	4.84	0.01	0.06	0.10	1.8	**6.8**	5.04	0.50	0.96	2.15	**8.65**
12	Edo	9.00	0.06	0.84	0.06	2.62	**12.59**	6.42	0.01	0.08	0.14	2.6	**9.3**	6.68	0.67	1.27	3.11	**11.73**
13	Ekiti	7.15	0.05	0.67	0.05	2.11	**10.02**	5.09	0.01	0.06	0.11	2.1	**7.4**	5.30	0.53	1.01	2.47	**9.31**
14	Enugu	9.15	0.06	0.85	0.06	2.61	**12.73**	6.52	0.01	0.08	0.14	2.5	**9.3**	6.78	0.68	1.29	3.01	**11.77**
15	Gombe	6.27	0.04	0.59	0.04	1.70	**8.64**	4.47	0.01	0.05	0.09	1.7	**6.3**	4.65	0.46	0.89	1.97	**7.97**
16	Imo	12.26	0.09	1.15	0.08	3.52	**17.09**	8.74	0.01	0.11	0.18	3.5	**12.5**	9.09	0.91	1.73	4.13	**15.86**
17	Jigawa	12.88	0.09	1.20	0.08	3.69	**17.94**	9.18	0.01	0.11	0.19	3.6	**13.1**	9.55	0.95	1.82	4.30	**16.62**
18	Kaduna	14.48	0.10	1.35	0.09	3.85	**19.89**	10.32	0.01	0.13	0.22	3.8	**14.5**	10.74	1.07	2.05	4.66	**18.53**
19	Kano	23.06	0.16	2.16	0.15	6.89	**32.41**	16.43	0.02	0.20	0.35	6.8	**23.8**	17.10	1.71	3.26	9.14	**31.21**
20	Katsina	17.55	0.12	1.64	0.11	4.76	**24.20**	12.51	0.01	0.15	0.26	4.7	**17.6**	13.02	1.30	2.48	5.45	**22.25**
21	Kebbi	11.08	0.08	1.04	0.07	2.81	**15.07**	7.90	0.01	0.10	0.17	2.7	**10.9**	8.22	0.82	1.57	3.26	**13.86**
22	Kogi	11.45	0.08	1.07	0.07	2.81	**15.49**	8.16	0.01	0.10	0.17	2.8	**11.2**	8.49	0.85	1.62	3.29	**14.25**
23	Kwara	8.10	0.06	0.76	0.05	2.13	**11.10**	5.78	0.01	0.07	0.12	2.1	**8.1**	6.01	0.60	1.15	2.48	**10.24**
24	Lagos	13.80	0.10	1.29	0.09	20.58	**35.86**	9.84	0.01	0.12	0.21	21.1	**31.2**	10.24	1.02	1.95	22.26	**35.47**
25	Nassarawa	7.23	0.05	0.68	0.05	1.71	**9.71**	5.15	0.01	0.06	0.11	1.7	**7.0**	5.36	0.53	1.02	2.03	**8.95**
26	Niger	13.38	0.09	1.25	0.09	3.35	**18.17**	9.54	0.01	0.12	0.20	3.3	**13.2**	9.92	0.99	1.89	3.92	**16.73**
27	Ogun	9.55	0.07	0.89	0.06	2.96	**13.52**	6.80	0.01	0.08	0.14	2.8	**9.9**	7.08	0.71	1.35	3.42	**12.55**
28	Ondo	9.12	0.06	0.85	0.06	2.61	**12.70**	6.50	0.01	0.08	0.14	2.6	**9.3**	6.76	0.67	1.29	3.04	**11.77**
29	Osun	12.35	0.09	1.15	0.08	3.63	**17.30**	8.80	0.01	0.11	0.19	3.6	**12.7**	9.16	0.91	1.75	4.23	**16.05**
30	Oyo	15.58	0.11	1.46	0.10	4.80	**22.04**	11.10	0.01	0.13	0.23	4.9	**16.4**	11.55	1.15	2.20	6.24	**21.15**
31	Plateau	9.76	0.07	0.91	0.06	2.53	**13.34**	6.96	0.01	0.08	0.15	2.4	**9.6**	7.24	0.72	1.38	2.89	**12.24**
32	Rivers	12.10	0.08	1.13	0.08	4.07	**17.47**	8.63	0.01	0.10	0.18	4.1	**13.1**	8.98	0.90	1.71	5.92	**17.51**
33	Sokoto	12.19	0.08	1.14	0.08	3.10	**16.59**	8.69	0.01	0.11	0.18	3.1	**12.0**	9.04	0.90	1.72	3.60	**15.27**
34	Taraba	9.14	0.06	0.85	0.06	2.12	**12.23**	6.51	0.01	0.08	0.14	2.0	**8.8**	6.78	0.68	1.29	2.47	**11.21**
35	Yobe	9.19	0.06	0.86	0.06	2.17	**12.34**	6.55	0.01	0.08	0.14	2.1	**8.9**	6.81	0.68	1.30	2.56	**11.36**
36	Zamfara	8.30	0.06	0.78	0.05	2.20	**11.38**	5.92	0.01	0.07	0.12	2.2	**8.3**	6.16	0.61	1.17	2.54	**10.48**
37	FCT Abuja	3.67	0.03	0.34	0.02	7.20	**11.26**	2.61	0.00	0.03	0.06	6.3	**9.0**	2.72	0.27	0.52	7.40	**10.91**
	TOTAL	**403.48**	**2.80**	**37.71**	**2.63**	**134.01**	**580.63**	**287.57**	**0.33**	**3.48**	**6.06**	**131.44**	**428.87**	**299.21**	**29.85**	**57.08**	**156.35**	**542.49**

Source: Federation Account Allocation, Federal Ministry of Finance (FMF)

1/ Revised

2/ Provisional

Table 33 Contd.
Allocation to Local Governments from the Federation and VAT Pools Accounts 1/
(Naira Billion)

S/N	State	1st Half 2018							1st Half 2019 2/					
		Fed. Acct.	Excess Crude	Excess Non-Oil Revenue	Budget Augmentation 1/	Exchange Gain	VAT	Total	Fed. Acct.	Excess Oil Revenue	Excess Non-Oil Revenue	Exchange Gain	VAT	Total
1	Abia	12.39	0.11	0.01	0.04	0.23	3.2	**15.9**	11.57	0.29	0.05	0.18	3.49	15.59
2	Adamawa	15.62	0.14	0.01	0.05	0.29	3.7	**19.9**	14.59	0.37	0.07	0.23	4.15	19.41
3	Akwa-Ibom	20.81	0.19	0.02	0.07	0.39	5.2	**26.7**	19.44	0.49	0.09	0.31	5.80	26.12
4	Anambra	15.71	0.15	0.01	0.05	0.29	4.2	**20.5**	14.67	0.37	0.07	0.23	4.70	20.03
5	Bauchi	17.83	0.16	0.02	0.06	0.33	4.1	**22.6**	16.65	0.42	0.07	0.26	4.64	22.05
6	Bayelsa	7.26	0.07	0.01	0.02	0.14	1.7	**9.2**	6.78	0.17	0.03	0.11	1.90	8.98
7	Benue	19.40	0.18	0.02	0.07	0.36	4.3	**24.4**	18.12	0.46	0.08	0.29	4.83	23.78
8	Borno	21.06	0.19	0.02	0.07	0.40	4.7	**26.5**	19.68	0.49	0.09	0.31	5.32	25.89
9	Cross-River	13.58	0.13	0.01	0.05	0.26	3.3	**17.3**	12.68	0.32	0.06	0.20	3.62	16.88
10	Delta	17.40	0.16	0.02	0.06	0.33	4.8	**22.7**	16.25	0.41	0.07	0.26	5.47	22.47
11	Ebonyi	10.05	0.09	0.01	0.03	0.19	2.4	**12.8**	9.38	0.24	0.04	0.15	2.75	12.56
12	Edo	13.31	0.12	0.01	0.05	0.25	3.6	**17.4**	12.44	0.31	0.06	0.20	4.03	17.03
13	Ekiti	10.57	0.10	0.01	0.04	0.20	2.8	**13.7**	9.87	0.25	0.04	0.16	3.18	13.51
14	Enugu	13.53	0.13	0.01	0.05	0.25	3.3	**17.3**	12.63	0.32	0.06	0.20	3.77	16.97
15	Gombe	9.27	0.09	0.01	0.03	0.17	2.2	**11.8**	8.66	0.22	0.04	0.14	2.49	11.54
16	Imo	18.13	0.17	0.02	0.06	0.34	4.7	**23.4**	16.93	0.43	0.08	0.27	5.34	23.04
17	Jigawa	19.05	0.18	0.02	0.06	0.36	5.0	**24.7**	17.79	0.45	0.08	0.28	5.57	24.17
18	Kaduna	21.42	0.20	0.02	0.07	0.40	5.4	**27.5**	20.01	0.50	0.09	0.32	5.93	26.84
19	Kano	34.10	0.32	0.03	0.12	0.64	9.2	**44.4**	31.85	0.80	0.14	0.51	10.32	43.62
20	Katsina	25.96	0.24	0.02	0.09	0.49	6.3	**33.1**	24.25	0.61	0.11	0.38	6.93	32.29
21	Kebbi	16.38	0.15	0.01	0.06	0.31	3.7	**20.7**	15.30	0.38	0.07	0.24	4.17	20.17
22	Kogi	16.94	0.16	0.02	0.06	0.32	3.8	**21.2**	15.82	0.40	0.07	0.25	4.19	20.73
23	Kwara	11.98	0.11	0.01	0.04	0.23	2.9	**15.2**	11.19	0.28	0.05	0.18	3.15	14.85
24	Lagos	20.41	0.19	0.02	0.07	0.38	27.8	**48.9**	19.07	0.48	0.09	0.30	31.18	51.11
25	Nassarawa	10.69	0.10	0.01	0.04	0.20	2.3	**13.3**	9.99	0.25	0.04	0.16	2.59	13.03
26	Niger	19.79	0.18	0.02	0.07	0.37	4.5	**24.9**	18.48	0.46	0.08	0.29	5.06	24.38
27	Ogun	14.12	0.13	0.01	0.05	0.27	4.2	**18.8**	13.19	0.33	0.06	0.21	4.55	18.34
28	Ondo	13.48	0.12	0.01	0.05	0.25	3.5	**17.4**	12.59	0.32	0.06	0.20	3.91	17.08
29	Osun	18.26	0.17	0.02	0.06	0.34	4.8	**23.7**	17.06	0.43	0.08	0.27	5.39	23.23
30	Oyo	23.04	0.21	0.02	0.08	0.43	6.9	**30.6**	21.52	0.54	0.10	0.34	8.01	30.50
31	Plateau	14.44	0.13	0.01	0.05	0.27	3.3	**18.2**	13.49	0.34	0.06	0.21	3.65	17.76
32	Rivers	17.90	0.17	0.02	0.06	0.34	6.0	**24.5**	16.72	0.42	0.08	0.27	6.18	23.66
33	Sokoto	18.03	0.17	0.02	0.06	0.34	4.1	**22.7**	16.84	0.42	0.08	0.27	4.63	22.24
34	Taraba	13.51	0.12	0.01	0.05	0.25	2.8	**16.8**	12.62	0.32	0.06	0.20	3.09	16.29
35	Yobe	13.59	0.13	0.01	0.05	0.26	2.9	**17.0**	12.69	0.32	0.06	0.20	3.34	16.60
36	Zamfara	12.28	0.11	0.01	0.04	0.23	2.9	**15.6**	11.47	0.29	0.05	0.18	3.23	15.22
37	FCT Abuja	5.42	0.05	0.00	0.02	0.10	8.7	**14.3**	5.06	0.13	0.02	0.08	10.07	15.37
	TOTAL	**596.71**	**5.51**	**0.53**	**2.02**	**11.21**	**179.53**	**795.51**	**557.36**	**13.99**	**2.50**	**8.85**	**200.63**	**783.33**

Source: Federation Account Allocation, Federal Ministry of Finance (FMF)
1/ Revised
2/ Provisional

Table 34
Domestic Debt of the Federal Government
(Naira Billion)

	First Half 2015	First Half 2016	First Half 2017 1/	First Half 2018 2/	Second Half 2018 2/	First Half 2019 2/
1. Composition of Debt						
i Treasury Bills	2,824.95	2,901.81	3,702.83	2,953.58	2,735.97	2,651.51
ii Treasury Bonds	271.22	230.99	190.99	150.99	150.99	125.99
iii Development Stocks	-	-	-	-	-	-
iv FGN Bonds	5,300.42	7,473.54	8,134.88	8,927.66	9,334.74	9,691.42
v Promissory Note	-	-	-	-	331.27	707.76
vi FGN Savings Bond			4.75	8.52	10.75	10.43
vii FGN Sukuk				100.00	200.00	200.00
viii FGN Green Bond				10.69	10.69	25.69
Total	**8,396.59**	**10,606.33**	**12,033.45**	**12,151.44**	**12,774.41**	**13,412.80**
2. Holders						
i Banking System	6,040.09	6,927.25	6,272.76	6,356.03	5,774.03	7,025.40
a. Central Bank	948.97	689.42	1,677.41	1,823.13	2,005.44	1,947.35
b. Deposit Money Banks /3	5,091.12	6,237.83	4,595.35	4,532.90	3,768.59	5,078.05
ii Non-Bank Public	1,961.60	3,407.33	5,634.35	5,694.86	6,905.30	6,302.44
iii Sinking Fund	394.90	271.75	126.34	100.55	95.08	84.95
Total Debt Outstanding	**8,396.59**	**10,606.33**	**12,033.45**	**12,151.44**	**12,774.41**	**13,412.80**

Source: Debt Management Office

1/ Revised

2/ Provisional

3/ Includes holdings of Discount Houses

Table 35
Domestic Debt Service Payment of the Federal Government by Instrument
(Naira Billion)

	1st Half 2015	1st Half 2016	1st Half 2017	2nd Half 2017	1st Half 2018	2nd Half 2018	1st Half 2019 1/
i Treasury Bills	191.04	219.93	201.57	243.56	379.51	261.18	166.63
ii Treasury Bonds	43.75	40.63	34.62	13.37	9.38	12.62	6.87
iii Development Stocks	-	-	-	-	-	-	-
iv FGN Bonds	293.74	381.13	473.19	509.47	542.73	573.48	609.84
v FGN Savings Bond			0.07	0.37	0.50	0.60	0.66
vi FGN Sukuk					8.17	8.30	16.02
vii FGN Green Bond					0.72	0.72	0.72
Total	**528.54**	**641.68**	**709.45**	**766.77**	**941.00**	**856.90**	**800.73**

Source: Debt Management Office

Note: Debt Service excludes sinking fund charges

₦638.90 Billion of Treasury Bills were redeemed during the first half of 2018.

1/ Provisional

Table 36
External Public Debt Outstanding

Holder	US$ Million								Naira Billion							
	End-June 2014	End-June 2015	End-June 2016	End-June 2017	End-December 2017	End-June 2018	End-December 2018	End-June 2019 1/	End-June 2014	End-June 2015	End-June 2016	End-June 2017	End-December 2017	End-June 2018	End-December 2018	End-June 2019 1/
MULTILATERAL	**6,730.45**	**7,232.86**	**7,991.00**	**9,673.99**	**10,241.44**	**10,883.70**	**11,014.34**		**1,048.13**	**1,424.51**	**2,261.45**	**2,959.27**	**3,133.88**	**3,327.15**		
IBRD	-	-	7.25	124.18	124.18	124.18	124.18		-	-	2.05	37.99	38.00	37.96		
IDA	5,772.77	6,091.45	6,844.97	7,596.11	7,905.62	8,348.92	8,550.11		898.99	1,199.71	1,937.13	2,323.65	2,419.12	2,552.26		
IFAD	91.57	94.80	103.01	121.21	148.26	159.44	169.45		14.26	18.67	29.15	37.08	45.37	48.74		
ADB Group	***748.24***	***946.53***	***938.91***	***1,740.70***	***1,971.05***	***2,163.40***	***2,170.60***	-	***116.52***	***186.42***	***265.71***	***532.48***	***603.14***	***661.35***		
ADB	150.00	350.00	400.73	1,002.33	1,186.60	1,319.93	1,264.61		23.36	68.93	113.41	306.61	363.10	403.50		
ADF	598.24	596.53	538.18	738.37	784.45	843.47	822.73		93.16	117.49	152.30	225.87	240.04	257.85		
Others 2/	117.87	100.08	96.86	91.79	92.33	87.76	83.26		18.36	19.71	27.41	28.08	28.25	26.83		
BILATERAL	**1,140.79**	**1,583.95**	**1,770.90**	**2,073.02**	**2,372.00**	**2,399.74**	***3,091.68***	-	**177.66**	**311.96**	**501.16**	**634.14**	**725.83**	**733.60**		
Exim Bank of China	1,031.84	1,388.87	1,495.85	1,768.95	1,930.98	1,913.07	2,485.08		160.69	273.54	423.33	541.12	590.88	584.83		
French Devt. Agency (AFD)	108.95	140.25	182.95	218.25	274.98	274.98	344.63		16.97	27.62	51.77	66.76	84.14	84.06		
Others 3/	-	54.83	92.10	85.82	166.04	211.69	261.97		-	10.80	26.06	26.25	50.81	64.71		
COMMERCIAL	**1,505.88**	**1,500.00**	**1,500.00**	**3,300.00**	**6,300.00**	**8,800.00**	**11,168.35**	-	**234.51**	**295.43**	**424.50**	**1,009.47**	**1,927.80**	**2,690.16**		
Euro Bond	1,500.00	1,500.00	1,500.00	3,000.00	6,000.00	8,500.00	10,868.35		233.60	295.43	424.50	917.70	1,836.00	2,598.45		
Diaspora Bond				300.00	300.00	300.00	300					91.77	91.80	91.71		
Other 4/	5.88								0.92	-	-	-	-	-		
Total Debt Outstanding	**9,377.12**	**10,316.81**	**11,261.90**	**15,047.01**	**18,913.44**	**22,083.44**	**25,274.37**		**1,460.30**	**2,031.90**	**3,187.12**	**4,602.88**	**5,787.51**	**6,750.91**		

Source: Debt Management Office

1/ Provisional

2/ Includes BADEA, IDB and EDF

3/ Japan (JICA), India (Exim Bank of India), Gernamy (KfW), Exim Bank of Korea and Nig. ICT Infrast. Backbone Project.

4/ Includes Papalanto & Omotosho, ZTE, Arcatel and SBI Holdings.

Table 37
External Debt Service Payments

Holder	US$ Million								Naira Billion							
	1st Half 2014	1st Half 2015	1st Half 2016	1st Half 2017	2nd Half 2017	1st Half 2018	2nd Half 2018	1st Half 2019 1/	1st Half 2014	1st Half 2015	1st Half 2016	1st Half 2017	2nd Half 2017	1st Half 2018	2nd Half 2018	1st Half 2019 1/
MULTILATERAL	**82.43**	**63.39**	**77.01**	**85.64**	**106.08**	**111.15**			**12.97**	**12.00**	**15.62**	**26.18**	**32.45**	**33.99**		
IBRD	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00		
IDA	0.06	0.05	0.06	0.07	0.08	0.08			0.01	0.01	0.01	0.02	0.03	0.03		
IFAD	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00		
ADB Group	***18.75***	***7.60***	***8.59***	***11.34***	***17.33***	***19.96***			***2.95***	***1.44***	***1.74***	***3.47***	***5.30***	***6.10***		
ADB	0.01	0.00	0.00	0.00	0.01	0.01			0.00	0.00	0.00	0.00	0.00	0.00		
ADF	0.01	0.01	0.01	0.01	0.01	0.01			0.00	0.00	0.00	0.00	0.00	0.00		
Others 2/	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00		
BILATERAL	**23.17**	**29.43**	**30.75**	**34.02**	**37.81**	**76.53**			**3.64**	**5.57**	**6.24**	**10.40**	**11.57**	**23.40**		
Exim Bank of China	0.02	0.03	0.03	0.03	0.03	0.07			0.00	0.01	0.01	0.01	0.01	0.02		
French Devt. Agency (AFD)	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00		
Others 3/	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00		
COMMERCIAL	**72.58**	**66.49**	**57.89**	**66.51**	**133.99**	**239.94**			**11.42**	**12.59**	**11.74**	**20.33**	**40.98**	**73.37**		
Eurobonds	0.05	0.05	0.05	0.05	0.10	0.15			0.01	0.01	0.01	0.01	0.03	0.05		
Diaspora Bond					0.01	0.07							0.00	0.02		
Others 4/	0.03	0.02	0.01	0.02	0.02	0.02			0.00	0.00	0.00	0.01	0.01	0.01		
Total Debt Service Payments	**178.18**	**159.31**	**165.66**	**186.16**	**277.89**	**427.63**			**28.03**	**30.17**	**33.59**	**56.91**	**85.00**	**130.76**		

Source: Debt Management Office, The Presidency, Abuja.

1/ Provisional

2/ Includes AGTF, ABEDA, IDB and EDF

3/ Japan (JICA), India (Exim Bank of India), Gernamy (KfW), Exim Bank of Korea and Nigeria ICT Infrastructure Backbone Project.

4/ Includes ZTE & CMCE, Oil Warrants and Agency Fees

Table 38a
Consolidated Debt of the Federal Government
(Naira Billion)

Holders	End-June 2015	End-June 2016	End-June 2017	End-December 2017	End-June 2018	End-December 2018	End-June 2019 1/
External Debt	2,031.90	3,187.12	4,602.88	5,787.51	6,750.91	6,460.40	
Domestic Debt	8,396.59	10,606.33	12,033.45	12,589.49	12,151.44	12,774.41	
Total Consolidated Debt	10,428.49	13,793.45	16,636.33	18,377.00	18,902.35	19,234.81	

Table 38b
Consolidated Debt Service Payment
(Naira Billion)

Holders	1st Half 2015	1st Half 2016	1st Half 2017	2nd Half 2017	1st Half 2018	2nd Half 2018	1st Half 2019 1/
External Debt	30.17	33.59	56.91	85.00	130.76		
Domestic Debt 2/	528.54	641.68	709.45	766.77	1,579.90		
Total Consolidated Debt	**558.71**	**675.28**	**766.40**	**851.77**	**1,710.66**		

Source: Debt Management Office (DMO)

1/ Provisional

2/ Includes ₦638.9 Billion of Treasury Bills redeemed during the first half of 2018.

Table 39
Gross Domestic Product at 2010 Constant Basic Prices

(Naira Billion unless otherwise stated)

Activity Sector	1st Half 2015	2nd Half 2015	1st Half 2016	2nd Half 2016	1st Half 2017	2nd Half 2017	1st Half 2018 1/	2nd Half 2018 2/	1st Half 2019 2/	Share of Total GDP (Per Cent) 1st Half 2015	2nd Half 2015	1st Half 2016	2nd Half 2016	1st Half 2017	2nd Half 2017	1st Half 2018 1/	2nd Half 2018 2/	1st Half 2019 2/
1. Agriculture	**6,654.44**	**9,297.78**	**6,910.26**	**9,697.08**	**7,130.69**	**10,048.80**	**7,277.03**	**10,267.11**	**7,455.62**	**20.47**	**25.47**	**21.49**	**27.11**	**22.19**	**27.64**	**22.27**	**27.66**	**22.36**
(a) Crop Production	5,840.32	8,434.61	6,068.95	8,825.50	6,272.02	9,165.03	6,423.19	9,363.24	6,588.20	17.96	23.10	18.87	24.67	19.52	25.21	19.66	25.22	19.76
(b) Livestock	547.96	603.37	575.65	609.47	587.13	617.08	575.96	632.16	578.53	1.69	1.65	1.79	1.70	1.83	1.70	1.76	1.70	1.74
(c) Forestry	81.09	86.17	83.61	88.03	86.36	90.97	89.37	93.38	91.83	0.25	0.24	0.26	0.25	0.27	0.25	0.27	0.25	0.28
(d) Fishing	185.08	173.62	182.05	174.08	185.18	175.73	188.51	178.33	197.07	0.57	0.48	0.57	0.49	0.58	0.48	0.58	0.48	0.59
2. Industry	**6,550.29**	**6,768.84**	**6,096.27**	**5,965.78**	**5,930.51**	**6,384.17**	**6,127.05**	**6,386.02**	**6,189.15**	**20.15**	**18.54**	**18.95**	**16.68**	**18.46**	**17.56**	**18.75**	**17.20**	**18.57**
(a) Crude Petroleum & Natural Gas	3,291.61	3,338.36	3,023.25	2,648.96	2,824.38	3,113.66	2,955.11	3,040.76	3,005.77	10.12	9.14	9.40	7.41	8.79	8.56	9.04	8.19	9.02
(b) Solid Minerals	49.28	53.26	31.09	56.52	33.77	53.97	36.81	59.79	37.39	0.15	0.15	0.10	0.16	0.11	0.15	0.11	0.16	0.11
(c) Manufacturing	3,209.41	3,377.21	3,041.94	3,260.30	3,072.36	3,216.54	3,135.13	3,285.46	3,145.98	9.87	9.25	9.46	9.11	9.56	8.85	9.59	8.85	9.44
3. Construction	**1,437.57**	**1,242.65**	**1,353.69**	**1,167.16**	**1,355.54**	**1,190.45**	**1,398.63**	**1,206.66**	**1,424.28**	**4.42**	**3.40**	**4.21**	**3.26**	**4.22**	**3.27**	**4.28**	**3.25**	**4.27**
4. Trade	**5,686.39**	**6,011.20**	**5,742.90**	**5,926.17**	**5,607.42**	**5,939.03**	**5,475.30**	**5,998.49**	**5,491.77**	**17.49**	**16.46**	**17.86**	**16.57**	**17.45**	**16.33**	**16.76**	**16.16**	**16.47**
5. Services	**12,185.25**	**13,189.53**	**12,059.14**	**13,012.80**	**12,108.52**	**12,795.85**	**12,399.16**	**13,264.49**	**12,776.49**	**37.48**	**36.13**	**37.49**	**36.38**	**37.68**	**35.19**	**37.94**	**35.73**	**38.32**
(a) Transport	366.48	438.98	380.31	428.29	388.74	451.11	457.89	498.76	522.34	1.13	1.20	1.18	1.20	1.21	1.24	1.40	1.34	1.57
(b) Information and Communication	3,857.96	3,850.16	3,960.18	3,898.51	3,989.00	3,787.90	4,258.77	4,268.89	4,651.92	11.87	10.55	12.31	10.90	12.41	10.42	13.03	11.50	13.95
(c) Utilities	165.58	201.74	138.01	197.23	159.16	218.45	172.83	232.24	181.92	0.51	0.55	0.43	0.55	0.50	0.60	0.53	0.63	0.55
(d) Accommodation and Food Services	312.49	341.72	290.49	328.93	278.89	330.57	281.90	338.29	292.31	0.96	0.94	0.90	0.92	0.87	0.91	0.86	0.91	0.88
(e) Finance & Insurance	1,115.13	1,008.77	991.88	1,035.63	1,046.58	1,006.42	1,120.57	974.11	1,064.90	3.43	2.76	3.08	2.90	3.26	2.77	3.43	2.62	3.19
(f) Real Estate	2,373.28	2,891.42	2,254.40	2,649.21	2,179.27	2,515.12	2,039.36	2,432.50	2,004.33	7.30	7.92	7.01	7.41	6.78	6.92	6.24	6.55	6.01
(g) Professional, Scientific & Technical Services	1,162.07	1,354.00	1,162.99	1,373.30	1,161.22	1,368.46	1,159.66	1,384.47	1,176.64	3.57	3.71	3.62	3.84	3.61	3.76	3.55	3.73	3.53
(h) Administrative and Support Services Bussiness Services	6.96	7.51	6.78	7.59	6.77	7.70	6.63	7.81	6.75	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
(i) Public Administration	809.79	834.99	766.92	802.59	765.66	797.96	738.50	793.08	674.66	2.49	2.29	2.38	2.24	2.38	2.19	2.26	2.14	2.02
(j) Education	623.37	875.33	644.44	874.49	643.30	864.68	642.83	864.73	646.33	1.92	2.40	2.00	2.44	2.00	2.38	1.97	2.33	1.94
(k) Human Health & Social Services	234.00	250.33	231.37	244.32	231.41	242.83	231.48	241.23	232.63	0.72	0.69	0.72	0.68	0.72	0.67	0.71	0.65	0.70
(l) Arts, Entertainment & Recreation	75.47	65.86	79.39	67.19	84.07	68.56	85.50	70.98	89.17	0.23	0.18	0.25	0.19	0.26	0.19	0.26	0.19	0.27
(m) Other Services	1,082.67	1,068.71	1,151.96	1,105.51	1,174.46	1,136.08	1,203.23	1,157.41	1,232.59	3.33	2.93	3.58	3.09	3.66	3.12	3.68	3.12	3.70
TOTAL (GDP)	**32,513.94**	**36,509.99**	**32,162.26**	**35,768.98**	**32,132.69**	**36,358.30**	**32,677.16**	**37,122.78**	**33,337.31**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
NON-OIL (GDP)	**29,222.34**	**33,171.63**	**29,139.01**	**33,120.02**	**29,308.30**	**33,244.63**	**29,722.05**	**34,082.02**	**30,331.54**	**89.88**	**90.86**	**90.60**	**92.59**	**91.21**	**91.44**	**90.96**	**91.81**	**90.98**
NET INDIRECT TAXES ON PRODUCTS	**312.91**	**443.85**	**274.26**	**446.93**	**264.40**	**450.31**	**276.42**	**459.99**	**279.85**									
TOTAL GDP AT 2010 CONSTANT MARKET PRICES	**32,826.86**	**36,953.84**	**32,436.52**	**36,215.91**	**32,397.08**	**36,808.61**	**32,953.58**	**37,582.77**	**33,617.16**									
TOTAL GDP GROWTH RATE (%)	**3.14**	**2.47**	**(1.08)**	**(2.03)**	**(0.09)**	**1.65**	**1.69**	**2.10**	**2.02**									
OIL GDP GROWTH RATE (%)	**(7.49)**	**(3.34)**	**(8.15)**	**(20.65)**	**(6.58)**	**17.54**	**4.63**	**(2.34)**	**1.71**									
NON-OIL GDP GROWTH RATE (%)	**4.50**	**3.10**	**(0.29)**	**(0.16)**	**0.58**	**0.38**	**1.41**	**2.52**	**2.05**									
Growth in Total GDP																		
Agriculture (%)	4.07	3.47	3.84	4.29	3.19	3.63	2.05	2.17	2.45									
Industry (%)	(4.88)	(1.97)	(6.93)	(11.86)	(2.72)	7.01	3.31	0.03	1.01									
Construction (%)	8.67	(0.24)	(5.83)	(6.07)	0.14	2.00	3.18	1.36	1.83									
Trade (%)	5.77	4.55	0.99	(1.41)	(2.36)	0.22	(2.36)	1.00	0.30									
Services (%)	5.56	3.50	(1.04)	(1.34)	0.41	(1.67)	2.40	3.66	3.04									

Source: National Bureau of Statistics

1/ Revised

2/ Provisional

Table 40
Gross Domestic Product at Current Basic Prices
(Naira Billion unless otherwise stated)

Activity Sector	1st Half 2015	2nd Half 2015	1st Half 2016	2nd Half 2016	1st Half 2017	2nd Half 2017	1st Half 2018 1/	2nd Half 2018 2/	1st Half 2019 2/
1. Agriculture	**7,827.50**	**11,809.47**	**8,897.75**	**12,625.76**	**9,896.37**	**14,056.19**	**10,722.44**	**16,648.86**	**12,865.80**
(a) Crop Production	6,652.62	10,537.35	7,601.06	11,282.02	8,499.64	12,596.46	9,241.70	14,966.10	11,121.85
(b) Livestock	821.92	926.11	902.80	972.99	962.08	1,012.36	961.73	1,086.87	1,015.61
(c) Forestry	108.16	114.67	113.28	122.98	125.22	131.99	130.03	142.76	143.84
(d) Fishing	244.80	231.34	280.61	247.78	309.42	315.38	388.98	453.13	584.50
2. Industry	**7,455.57**	**7,618.21**	**6,061.42**	**8,311.37**	**9,470.47**	**11,055.99**	**13,272.62**	**12,831.57**	**13,881.07**
(a) Crude Petroleum & Natural Gas	3,137.49	2,852.92	1,847.05	3,520.27	4,562.32	5,793.63	7,650.28	5,773.60	6,150.29
(b) Solid Minerals	52.68	56.91	34.45	67.77	47.05	78.97	69.01	155.78	114.37
(c) Manufacturing	4,265.40	4,708.38	4,179.91	4,723.33	4,861.09	5,183.39	5,553.33	6,902.20	7,616.41
3. Construction	**1,835.19**	**1,637.06**	**1,881.22**	**1,725.34**	**2,244.43**	**2,037.34**	**2,855.29**	**3,175.77**	**4,361.48**
4. Trade	**8,538.49**	**9,490.41**	**9,766.09**	**10,909.77**	**10,465.20**	**11,108.52**	**10,353.22**	**11,565.23**	**10,758.67**
5. Services	**18,244.10**	**19,688.96**	**19,176.31**	**22,134.47**	**20,982.13**	**22,394.99**	**21,934.60**	**24,377.23**	**24,901.47**
(a) Transport	614.58	746.49	716.31	857.21	822.20	965.29	1,051.30	1,277.07	1,450.75
(b) Information and Communication	5,685.01	5,096.07	5,691.91	5,787.59	6,017.28	5,700.28	6,471.17	6,508.70	8,213.68
(c) Utilities	284.54	358.00	259.47	402.36	336.77	494.90	411.26	671.82	562.79
(d) Accommodation and Food Services	424.48	469.19	426.75	498.32	446.58	537.62	484.74	659.62	612.00
(e) Finance & Insurance	1,674.24	1,586.26	1,686.93	1,906.40	1,953.33	1,882.44	2,118.55	1,878.20	2,086.43
(f) Real Estate	3,626.21	4,561.34	3,678.47	4,661.96	3,977.91	4,613.63	3,847.40	4,785.42	4,064.46
(g) Professional, Scientific & Technical Services	1,799.16	2,128.14	1,979.74	2,528.02	2,167.22	2,559.58	2,193.42	2,669.07	2,305.58
(h) Administrative and Support Services Bussiness Services	10.46	11.79	11.55	13.97	12.63	14.40	12.54	15.05	13.22
(i) Public Administration	1,216.61	1,335.84	1,305.88	1,477.95	1,429.03	1,492.55	1,396.87	1,529.23	1,322.53
(j) Education	853.49	1,262.85	989.74	1,456.21	1,101.79	1,489.07	1,134.45	1,600.08	1,251.62
(k) Human Health & Social Services	322.11	360.58	351.50	394.08	382.00	402.80	393.76	427.93	442.38
(l) Arts, Entertainment & Recreation	109.93	100.49	126.39	112.99	143.77	117.32	146.67	122.41	163.16
(m) Other Services	1,623.27	1,671.93	1,951.68	2,037.41	2,191.62	2,125.09	2,272.47	2,232.64	2,412.86
TOTAL (GDP)	**43,900.85**	**50,244.11**	**45,782.78**	**55,706.71**	**53,058.61**	**60,653.03**	**59,138.17**	**68,598.66**	**66,768.50**
NON-OIL (GDP)	**40,763.36**	**47,391.18**	**43,935.73**	**52,186.44**	**48,496.29**	**54,859.40**	**51,487.89**	**62,825.06**	**60,618.21**
NET INDIRECT TAXES ON PRODUCTS	**422.60**	**610.18**	**389.98**	**695.95**	**436.64**	**750.98**	**500.07**	**850.01**	**560.85**
TOTAL GDP AT CURRENT MARKET PRICES	**44,323.45**	**50,854.28**	**46,172.76**	**56,402.66**	**53,495.25**	**61,404.00**	**59,638.24**	**69,448.66**	**67,329.35**
TOTAL GDP GROWTH RATE (%)	**4.76**	**6.59**	**4.29**	**10.87**	**15.89**	**8.88**	**11.46**	**13.10**	**12.90**
OIL GDP GROWTH RATE (%)	**(40.19)**	**(34.73)**	**(41.13)**	**23.39**	**147.01**	**64.58**	**67.68**	**(0.35)**	**(19.61)**
NON-OIL GDP GROWTH RATE (%)	**11.20**	**10.81**	**7.78**	**10.12**	**10.38**	**5.12**	**6.17**	**14.52**	**17.73**
Growth in Total GDP									
Agriculture (%)	8.34	9.41	13.67	6.91	11.22	11.33	8.35	18.45	19.99
Industry (%)	(21.77)	(14.13)	(18.70)	9.10	56.24	33.02	40.15	16.06	4.58
Construction (%)	12.92	4.70	2.51	5.39	19.31	18.08	27.22	55.88	52.75
Trade (%)	14.90	14.72	14.38	14.96	7.16	1.82	(1.07)	4.11	3.92
Services (%)	13.37	11.63	5.11	12.42	9.42	1.18	4.54	8.85	13.53

Activity Sector	Share of Total GDP (Per Cent)								
	1st Half 2015	2nd Half 2015	1st Half 2016	2nd Half 2016	1st Half 2017	2nd Half 2017	1st Half 2018 1/	2nd Half 2018 2/	1st Half 2019 2/
1. Agriculture	**17.83**	**23.50**	**19.43**	**22.66**	**18.65**	**23.17**	**18.13**	**24.27**	**19.27**
(a) Crop Production	15.15	20.97	16.60	20.25	16.02	20.77	15.63	21.82	16.66
(b) Livestock	1.87	1.84	1.97	1.75	1.81	1.67	1.63	1.58	1.52
(c) Forestry	0.25	0.23	0.25	0.22	0.24	0.22	0.22	0.21	0.22
(d) Fishing	0.56	0.46	0.61	0.44	0.58	0.52	0.66	0.66	0.88
2. Industry	**16.98**	**15.16**	**13.24**	**14.92**	**17.85**	**18.23**	**22.44**	**18.71**	**20.79**
(a) Crude Petroleum & Natural Gas	7.15	5.68	4.03	6.32	8.60	9.55	12.94	8.42	9.21
(b) Solid Minerals	0.12	0.11	0.08	0.12	0.09	0.13	0.12	0.23	0.17
(c) Manufacturing	9.72	9.37	9.13	8.48	9.16	8.55	9.39	10.06	11.41
3. Construction	**4.18**	**3.26**	**4.11**	**3.10**	**4.23**	**3.36**	**4.83**	**4.63**	**6.53**
4. Trade	**19.45**	**18.89**	**21.33**	**19.58**	**19.72**	**18.31**	**17.51**	**16.86**	**16.11**
5. Services	**41.56**	**39.19**	**41.89**	**39.73**	**39.55**	**36.92**	**37.09**	**35.54**	**37.30**
(a) Transport	1.40	1.49	1.56	1.54	1.55	1.59	1.78	1.86	2.17
(b) Information and Communication	12.95	10.14	12.43	10.39	11.34	9.40	10.94	9.49	12.30
(c) Utilities	0.65	0.71	0.57	0.72	0.63	0.82	0.70	0.98	0.84
(d) Accommodation and Food Services	0.97	0.93	0.93	0.89	0.84	0.89	0.82	0.96	0.92
(e) Finance & Insurance	3.81	3.16	3.68	3.42	3.68	3.10	3.58	2.74	3.12
(f) Real Estate	8.26	9.08	8.03	8.37	7.50	7.61	6.51	6.98	6.09
(g) Professional, Scientific & Technical Services	4.10	4.24	4.32	4.54	4.08	4.22	3.71	3.89	3.45
(h) Administrative and Support Services Bussiness Services	0.02	0.02	0.03	0.03	0.02	0.02	0.02	0.02	0.02
(i) Public Administration	2.77	2.66	2.85	2.65	2.69	2.46	2.36	2.23	1.98
(j) Education	1.94	2.51	2.16	2.61	2.08	2.46	1.92	2.33	1.87
(k) Human Health & Social Services	0.73	0.72	0.77	0.71	0.72	0.66	0.67	0.62	0.66
(l) Arts, Entertainment & Recreation	0.25	0.20	0.28	0.20	0.27	0.19	0.25	0.18	0.24
(m) Other Services	3.70	3.33	4.26	3.66	4.13	3.50	3.84	3.25	3.61
TOTAL (GDP)	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
NON-OIL (GDP)	**92.85**	**94.32**	**95.97**	**93.68**	**91.40**	**90.45**	**87.06**	**91.58**	**90.79**

Source: National Bureau of Statistics
1/ Revised
2/ Provisional

Table 41
Selected Real Sector Indicators 1/
(Per cent, except otherwise indicated)

Item	2015 First Half	2016 First Half	2017 First Half	2018 First Half	2019 /2 First Half
Agricultural Production Index (2010 = 100)					
Aggregate	122.7	127.4	131.5	134.3	137.6
Crops	120.7	125.4	129.6	132.8	136.3
Staples	121.0	125.7	130.0	133.1	134.5
Other Crops	128.6	132.8	137.2	141.5	143.7
Livestock	134.6	141.4	144.2	141.5	142.1
Fishery	137.0	134.8	136.6	138.6	144.3
Forestry	132.9	137.0	141.5	146.4	150.3
Indices of Average World Prices of Nigeria's Major Agricultural Export Commodities (2010 = 100) (Dollar Based)					
All Commodities	100.3	86.9	79.0	78.6	74.5
Cocoa	97.8	99.4	66.6	77.7	74.7
Cotton	42.1	41.2	51.1	55.2	48.9
Coffee	68.0	62.1	64.9	54.7	49.8
Wheat	74.2	52.5	47.5	66.5	67.4
Rubber	37.1	30.8	47.9	35.8	36.4
Groundnut	132.9	121.0	122.0	88.6	86.3
Palm oil	50.0	50.3	54.2	54.4	47.0
Soya beans	65.7	65.0	65.9	77.5	66.8
Sorghum	99.5	73.5	70.6	80.2	74.6
Indices of Average World Prices of Nigeria's Major Agricultural Export Commodities (2010 = 100) (Naira Based)					
All Commodities	127.5	115.6	158.3	157.5	149.3
Cocoa	124.4	132.1	133.4	155.7	150.3
Cotton	53.5	54.8	102.4	110.6	98.4
Coffee	86.3	82.7	130.0	109.6	101.7
Wheat	94.2	69.7	95.1	133.3	135.6
Rubber	47.2	41.0	95.9	71.6	73.3
Groundnut	169.0	160.8	244.3	177.5	173.7
Palm oil	63.5	66.8	108.6	108.9	94.6
Soya beans	83.5	86.8	132.1	155.3	134.3
Sorghum	126.6	97.8	141.5	160.7	150.0
GROWTH RATE OVER THE PRECEDING PERIOD (%)					
Agricultural Production Index (2010 = 100)					
Aggregate	4.1	3.8	3.2	2.1	2.5
Crops	3.8	3.9	3.4	2.5	2.6
Staples	3.8	3.9	3.4	2.4	1.0
Other Crops	3.6	3.3	3.3	3.1	1.6
Livestock	6.3	5.1	2.0	-1.9	0.4
Fishery	4.2	-1.6	1.4	1.4	4.1
Forestry	6.3	3.1	3.2	3.4	2.7
Indices of Average World Prices of Nigeria's Major Agricultural Export Commodities (2010 = 100) (Dollar Based)					
All Commodities	8.6	-13.3	-9.1	-0.5	-5.3
Cocoa	-0.9	1.6	-33.0	16.7	-3.8
Cotton	-24.3	-2.1	24.2	7.9	-11.3
Coffee	-12.5	-8.6	4.4	-15.7	-9.0
Wheat	-26.5	-29.3	-9.6	40.1	1.3
Rubber	-18.7	-16.9	55.3	-25.3	1.9
Groundnut	58.3	-9.0	0.8	-27.4	-2.6
Palm oil	-31.7	0.6	7.9	0.2	-13.5
Soya beans	-32.8	-1.0	1.4	17.5	-13.9
Sorghum	0.0	-26.1	-3.9	13.5	-7.0
Indices of Average World Prices of Nigeria's Major Agricultural Export Commodities (2010 = 100) (Naira Based)					
All Commodities	24.3	-9.4	36.9	-0.5	-5.2
Cocoa	13.6	6.2	1.0	16.7	-3.5
Cotton	-13.3	2.4	86.8	8.0	-11.0
Coffee	0.1	-4.1	57.1	-15.7	-7.2
Wheat	-16.0	-26.0	36.5	40.2	1.7
Rubber	-6.9	-13.2	134.0	-25.3	2.3
Groundnut	81.2	-4.9	51.9	-27.3	-2.2
Palm oil	-21.9	5.2	62.6	0.3	-13.1
Soya beans	-23.2	4.0	52.1	17.6	-13.5
Sorghum	14.5	-22.8	44.7	13.6	-6.6
Industrial Production Index (2010 = 100)					
Industrial Production Index	**114.2**	**105.7**	**103.8**	**107.0**	**108.5**
Manufacturing Production Index	182.8	173.7	175.5	178.5	179.7
Mining Production Index	84.7	77.1	73.2	76.1	77.9
Electricity Production Index	138.7	95.6	115.0	132.3	126.2
Capacity Utilization Rate (%)	55.5	51.7		53.1	
Inflation Rate (12-Month Moving Average; End-Period)	8.4	11.4	17.6	14.4	11.3
Inflation Rate (Year-on-Year; End-Period)	9.2	16.5	16.1	11.2	11.2
Food Inflation Rate (Year-on-Year; End-Period)	10.0	15.3	19.9	13.0	13.6
Non-Food Inflation Rate (Year-on-Year; End-Period)	8.4	16.2	12.5	10.4	8.8

Source: National Bureau of Statistics, Central Bank of Nigeria and Index Mundi.
1/Revised
2/Provisional

Table 41 cont'd
Selected Real Sector Indicators
(Per cent, except otherwise indicated)

Item	2017 1/		2018 1/		2019 2/	Change Between		Percentage Change Between	
	First Half	Second Half	First Half (1)	Second Half (2)	First Half (3)	(3) & (1)	(3) & (2)	(3) & (1)	(3) & (2)
World Crude Oil Production									
million barrels per day (mbd)									
OPEC	38.40	38.85	36.44	36.81	35.02	-1.42	-1.79	-3.90	-4.86
Crudes	32.20	32.60	31.70	32.02	30.21	-1.49	-1.81	-4.70	-5.65
NGLs and condensates	6.20	6.25	4.74	4.79	4.81	0.07	0.02	1.48	0.42
Total non-OPEC	57.60	58.15	61.37	63.35	63.72	2.35	0.37	3.83	0.58
Total World Supply	**96.00**	**97.00**	**97.81**	**100.16**	**98.74**	0.93	-1.42	0.95	-1.42
Demand									
OECD	47.05	47.80	47.5	48.18	47.55	0.05	-0.63	0.11	-1.31
Non-OECD	49.05	50.45	50.46	51.32	51.45	0.99	0.13	1.96	0.25
Total World Demand	**96.10**	**98.25**	**97.96**	**99.50**	**99.00**	1.04	-0.50	1.06	-0.50
Nigeria									
Output	1.63	1.82	1.90	1.85	1.85	-0.05	0.00	-2.63	0.00
Exports	1.18	1.37	1.45	1.40	1.40	-0.05	0.00	-3.45	0.00
Domestic Consumption	0.45	0.45	0.45	0.45	0.45	0.00	0.00	0.00	0.00
Average Spot Price of Selected Crude Oil at the International Oil Market (US$)									
UK Brent	51.23	57.02	70.79	71.54	66.28	-4.51	-5.26	-6.37	-7.35
West Texas Intermediate (WTI)	49.43	51.43	61.40	54.28	55.53	-5.87	1.25	-9.56	2.30
Bonny Light	52.20	57.63	71.99	73.05	67.90	-4.09	-5.15	-5.68	-7.05
Forcados	51.74	57.77	72.03	73.11	68.01	-4.02	-5.10	-5.58	-6.98
OPEC Basket	50.21	54.63	68.40	70.81	65.47	-2.93	-5.34	-4.28	-7.54
Gas Activities									
(MMm^3)									
Gas Produced	32,472.43								
Total Gas Utilised	28,009.65								
Gas Utilised as % of Gas Produced	86.26								
Gas Flared	4,462.79								
Gas Flared as % Gas Produced	13.74								

Sources: OPEC, NNPC, Reuters & CBN Estimates

1/ Revised

2/ Provisional

Table 42
Composite Consumer Price Index
(November 2009=100)

Year & Month	All Item (Headline)				All Items less Farm Produce (Core)			Food		
	Monthly Index	Inflation y-o-y (%)	12-Month Average Index	Inflation 12-Month Average (%)	Monthly Index	Inflation y-o-y (%)	Inflation 12-Month Average (%)	Monthly Index	Inflation y-o-y (%)	Inflation 12-Month Average (%)
2015										
January	165.8	8.2	159.9	8.1	163.7	6.8	6.9	169.8	9.2	9.5
February	166.9	8.4	160.9	8.1	164.8	7.0	6.9	171.1	9.4	9.5
March	168.4	8.5	162.0	8.2	166.2	7.5	6.9	172.8	9.4	9.5
April	169.7	8.7	163.2	8.2	167.2	7.7	6.9	174.4	9.5	9.5
May	171.6	9.0	164.3	8.3	169.2	8.3	7.0	176.3	9.8	9.5
June	173.2	9.2	165.5	8.4	170.6	8.4	7.0	178.1	10.0	9.5
July	174.4	9.2	166.8	8.5	171.6	8.8	7.2	179.5	10.0	9.6
August	175.4	9.3	168.0	8.6	172.7	9.0	7.4	180.6	10.1	9.6
September	176.5	9.4	169.3	8.7	173.7	8.9	7.6	181.8	10.2	9.6
October	177.2	9.3	170.5	8.8	174.4	8.7	7.8	182.6	10.1	9.7
November	178.4	9.4	171.8	8.9	175.3	8.7	8.0	184.1	10.3	9.8
December	180.1	9.6	173.1	9.0	176.7	8.7	8.2	186.2	10.6	9.9
2016										
January	181.7	9.6	174.5	9.1	178.2	8.8	8.4	187.9	10.6	10.0
February	185.9	11.4	176.0	9.4	183.0	11.0	8.7	190.5	11.3	10.2
March	189.9	12.8	177.8	9.8	186.4	12.2	9.1	194.9	12.7	10.5
April	193.0	13.7	179.8	10.2	189.5	13.4	9.6	197.4	13.2	10.8
May	198.3	15.6	182.0	10.7	194.7	15.1	10.2	202.5	14.9	11.2
June	201.7	16.5	184.4	11.4	198.3	16.2	10.9	205.4	15.3	11.7
July	204.2	17.1	186.9	12.0	200.7	16.9	11.6	207.9	15.8	12.2
August	206.3	17.6	189.4	12.7	202.4	17.2	12.2	210.3	16.4	12.7
September	208.0	17.9	192.1	13.5	204.3	17.7	13.0	212.0	16.6	13.2
October	209.7	18.3	194.8	14.2	205.9	18.1	13.8	213.8	17.1	13.8
November	211.3	18.5	197.5	15.0	207.3	18.2	14.5	215.7	17.2	14.4
December	213.6	18.5	200.3	15.7	208.6	18.1	15.3	218.6	17.4	14.9
2017										
January	215.7	18.7	203.1	16.4	210.0	17.9	16.0	221.4	17.8	15.5
February	218.9	17.8	205.9	17.0	212.3	16.0	16.4	225.8	18.5	16.1
March	222.7	17.3	208.6	17.3	215.1	15.4	16.7	230.8	18.4	16.6
April	226.3	17.2	211.4	17.6	217.5	14.8	16.8	235.5	19.3	17.1
May	230.5	16.3	214.1	17.6	220.0	13.0	16.6	241.5	19.3	17.5
June	234.2	16.1	216.8	17.6	223.0	12.5	16.2	246.3	19.9	17.9
July	237.0	16.1	219.5	17.5	225.2	12.2	15.8	250.0	20.3	18.2
August	239.3	16.0	222.3	17.3	227.3	12.3	15.4	252.9	20.3	18.6
September	241.2	16.0	225.0	17.2	229.1	12.1	14.9	255.1	20.3	18.9
October	243.0	15.9	227.8	17.0	230.9	12.1	14.4	257.2	20.3	19.1
November	244.9	15.9	230.6	16.8	232.6	12.2	13.9	259.5	20.3	19.4
December	246.4	15.4	233.4	16.5	233.8	12.1	13.5	261.0	19.4	19.5
2018										
January	248.4	15.1	236.1	16.2	235.4	12.1	13.0	263.3	18.9	19.6
February	250.3	14.3	238.7	15.9	237.2	11.7	12.7	265.5	17.6	19.5
March	252.4	13.3	241.2	15.6	239.2	11.2	12.3	267.9	16.1	19.3
April	254.5	12.5	243.5	15.2	241.3	10.9	12.0	270.4	14.8	18.9
May	257.3	11.6	245.7	14.8	243.6	10.7	11.8	273.9	13.4	18.4
June	260.5	11.2	247.9	14.4	246.1	10.4	11.7	278.2	13.0	17.7
July	263.4	11.1	250.1	13.9	248.1	10.2	11.5	282.2	12.8	17.1
August	266.2	11.2	252.4	13.5	250.1	10.0	11.3	286.2	13.2	16.5
September	268.4	11.3	254.6	13.2	251.7	9.8	11.1	289.0	13.3	15.9
October	270.4	11.3	256.9	12.8	253.7	9.9	10.9	291.4	13.3	15.4
November	272.6	11.3	259.2	12.4	255.4	9.8	10.7	294.0	13.3	14.8
December	274.6	11.4	261.6	12.1	256.7	9.8	10.5	296.4	13.6	14.3
2019										
January	276.6	11.4	263.9	11.8	258.8	9.9	10.3	298.9	13.5	13.9
February	278.6	11.3	266.3	11.6	260.4	9.8	10.2	301.3	13.5	13.6
March	280.8	11.3	268.7	11.4	261.8	9.5	10.0	303.9	13.5	13.4
April	283.5	11.4	271.1	11.3	263.7	9.3	9.9	307.4	13.7	13.3
May	286.6	11.4	273.5	11.3	265.6	9.0	9.8	311.7	13.8	13.4
June	289.7	11.2	275.9	11.3	267.9	8.8	9.6	316.0	13.6	13.4

Source: National Bureau of Statistics (NBS)

Table 43
Urban and Rural Consumer Price Index
(November 2009=100)

Year & Month	Urban						Rural					
	All Items (Headline) Monthly Index	Headline Inflation y-o-y(%)	All Items less Farm Produce (Core) Monthly Index	Core Inflation y-o-y(%)	Food Monthly Index	Food Inflation y-o-y(%)	All Items (Headline) Monthly Index	Headline Inflation y-o-y(%)	All Items less Farm Produce (Core) Monthly Index	Core Inflation y-o-y(%)	Food Monthly Index	Food Inflation y-o-y(%)
2015												
January	164.7	8.2	161.2	7.0	166.9	9.6	166.9	8.09	165.8	6.6	172.7	8.9
February	165.9	8.4	162.4	7.1	168.2	9.8	168.0	8.29	166.9	6.9	173.9	9.0
March	167.4	8.6	163.7	7.6	169.9	9.8	169.5	8.40	168.3	7.3	175.6	9.0
April	168.7	8.7	164.7	7.9	171.6	9.9	170.8	8.56	169.3	7.4	177.1	9.1
May	170.6	9.1	166.8	8.6	173.5	10.3	172.6	8.90	171.2	8.0	178.9	9.4
June	172.2	9.2	168.2	8.8	175.4	10.5	174.2	9.10	172.6	8.1	180.8	9.7
July	173.3	9.2	169.2	9.0	176.7	10.4	175.5	9.24	173.7	8.7	182.2	9.8
August	174.3	9.2	170.2	9.0	177.8	10.4	176.6	9.38	174.8	9.0	183.3	9.9
September	175.5	9.5	171.3	9.2	179.2	10.6	177.5	9.30	175.7	8.7	184.3	9.8
October	176.2	9.4	172.0	8.9	180.1	10.7	178.2	9.16	176.4	8.6	185.1	9.7
November	177.4	9.4	172.8	8.8	181.5	10.8	179.4	9.26	177.4	8.7	186.5	9.9
December	179.2	9.7	174.3	8.9	183.8	11.1	181.1	9.41	178.7	8.6	188.6	10.1
2016												
January	180.8	9.7	175.8	9.1	185.5	11.1	182.7	9.48	180.2	8.7	190.3	10.2
February	186.2	12.3	181.2	11.6	187.8	11.7	186.0	10.69	184.6	10.6	193.2	11.1
March	190.0	13.5	184.6	12.8	192.1	13.1	189.9	12.04	188.0	11.7	197.5	12.5
April	194.1	15.1	188.0	14.1	194.3	13.2	192.6	12.77	190.8	12.7	200.3	13.1
May	199.8	17.1	193.3	15.9	199.8	15.2	197.4	14.35	195.9	14.4	205.0	14.5
June	203.4	18.1	197.0	17.1	203.0	15.8	200.5	15.09	199.3	15.5	207.6	14.9
July	206.1	18.9	199.7	18.1	205.7	16.4	202.8	15.5	201.5	16.0	209.9	15.2
August	208.0	19.3	201.4	18.4	207.7	16.8	205.0	16.1	203.2	16.3	212.7	16.0
September	209.6	19.5	203.6	18.9	209.4	16.9	206.7	16.4	205.0	16.7	214.4	16.3
October	211.3	19.9	205.1	19.3	211.3	17.3	208.4	16.9	206.5	17.1	216.2	16.8
November	213.0	20.1	206.7	19.6	213.2	17.4	210.1	17.1	207.8	17.1	218.0	16.9
December	215.3	20.1	208.5	19.6	216.2	17.6	212.2	17.2	208.7	16.8	220.8	17.1
2017												
January	217.5	20.3	210.0	19.5	219.1	18.1	214.4	17.3	210.0	16.6	223.6	17.5
February	220.8	18.6	212.7	17.4	223.6	19.0	217.5	17.0	212.1	14.9	228.0	18.0
March	224.7	18.3	215.7	16.9	228.8	19.1	221.2	16.5	214.6	14.2	232.8	17.8
April	228.3	17.6	217.9	15.9	233.6	20.2	224.7	16.7	217.1	13.8	237.4	18.5
May	232.5	16.3	220.5	14.1	239.7	19.9	229.0	16.0	219.7	12.1	243.3	18.7
June	236.2	16.2	223.7	13.6	244.6	20.5	232.6	16.0	222.4	11.5	248.0	19.4
July	239.2	16.0	225.9	13.1	248.5	20.8	235.4	16.1	224.6	11.5	251.6	19.8
August	241.5	16.1	228.1	13.2	251.5	21.1	237.6	15.9	226.6	11.5	254.3	19.6
September	243.5	16.2	230.2	13.1	253.9	21.3	239.4	15.8	228.2	11.3	256.4	19.6
October	245.5	16.2	232.1	13.2	256.2	21.3	241.1	15.7	229.8	11.3	258.4	19.5
November	247.6	16.3	234.3	13.3	258.7	21.3	242.8	15.6	231.3	11.3	260.5	19.5
December	249.3	15.8	235.8	13.1	260.3	20.4	244.1	15.0	232.2	11.3	261.9	18.6
2018												
January	251.3	15.6	237.3	13.0	262.7	19.9	246.0	14.8	233.8	11.3	264.1	18.1
February	253.4	14.8	239.3	12.5	265.0	18.5	247.9	14.0	235.4	11.0	266.3	16.8
March	255.6	13.7	241.3	11.9	267.5	16.9	249.9	13.0	237.4	10.6	268.6	15.4
April	257.7	12.9	243.3	11.6	270.0	15.5	252.0	12.1	239.6	10.3	271.0	14.2
May	260.6	12.1	245.4	11.3	273.7	14.2	254.7	11.2	242.1	10.2	274.4	12.8
June	263.8	11.7	247.9	10.8	278.1	13.7	257.8	10.8	244.6	10.0	278.6	12.3
July	267.0	11.7	250.1	10.7	282.6	13.7	260.9	10.8	246.6	9.8	282.7	12.4
August	269.7	11.7	252.0	10.5	286.5	13.9	263.4	10.8	248.5	9.6	286.2	12.5
September	272.0	11.7	253.5	10.1	289.5	14.0	265.5	10.9	250.1	9.6	288.9	12.7
October	274.1	11.6	255.9	10.2	292.0	14.0	267.4	10.9	251.8	9.6	291.2	12.7
November	276.4	11.6	257.9	10.1	294.7	13.9	269.5	11.0	253.4	9.6	293.7	12.8
December	278.5	11.7	259.5	10.1	297.2	14.2	271.4	11.2	254.3	9.5	296.0	13.0
2019												
January	280.6	11.7	261.4	10.2	299.8	14.2	273.4	11.1	256.5	9.7	298.3	13.0
February	282.8	11.6	263.3	10.0	302.4	14.1	275.3	11.0	258.0	9.6	300.7	12.9
March	285.0	11.5	265.1	9.9	305.2	14.1	277.4	11.0	259.1	9.1	303.2	12.9
April	287.9	11.7	267.1	9.8	309.0	14.5	279.9	11.1	260.8	8.8	306.4	13.1
May	291.2	11.8	269.3	9.7	313.7	14.6	282.9	11.1	262.5	8.4	310.4	13.1
June	294.4	11.6	271.8	9.6	318.2	14.4	285.9	10.9	264.6	8.2	314.5	12.9

Source: National Bureau of Statistics (NBS)

Table 44
Balance of Payments Analytic Presentation
(US$ Million)

	1st Half 2018 1/	2nd Half 2018 2/	1st Half 2019 2/
CURRENT ACCOUNT	**5,774.28**	**-439.83**	**-5,677.83**
Goods	**11,783.06**	**10,553.48**	**3,253.02**
Exports (fob)	30,235.40	32,854.84	31,274.03
Oil and Gas	27,475.07	30,920.89	27,026.19
Non-oil	2,760.33	1,933.95	4,247.84
Imports (fob)	-18,452.34	-22,301.36	-28,021.01
Oil	-6,038.13	-5,528.24	-4,293.84
Non-oil	-12,414.21	-16,773.12	-23,727.16
Unrecorded(TPAdj)	-	-	-
Services(net)	**-10,665.55**	**-15,400.34**	**-16,226.50**
Credit	1,916.89	2,900.88	2,724.87
Transportation	653.29	677.68	920.27
Travel	456.54	1,505.82	1,038.23
Insurance Services	194.51	30.23	108.55
Communication Services	121.66	108.91	108.34
Construction Services	0.00	0.00	0.00
Financial Services	223.74	315.74	296.97
Computer & information Services	-	-	-
Royalties and License Fees	-	-	-
Government Services	235.59	231.13	228.59
Personal, cultural & recreational services	-	-	-
Other Bussiness Services	31.55	31.37	23.92
Debit	-12,582.44	-18,301.22	-18,951.37
Transportation	-3,381.34	-2,969.46	-3,372.83
Travel	-3,596.73	-5,972.10	-6,801.59
Insurance Services	-281.05	-275.08	-352.74
Communication Services	-93.75	-74.80	-75.41
Construction Services	-0.29	-59.99	-7.37
Financial Services	-184.53	-472.38	-148.73
Computer & information Services	-115.19	-147.03	-69.50
Royalties and License Fees	-126.42	-126.42	-126.42
Government Services	-129.14	-129.34	-129.27
Personal, cultural & recreational services	-3.91	-36.56	-46.27
Other Bussiness Services	-4,670.10	-8,038.05	-7,821.24
Income(net)	**-7,194.70**	**-7,875.60**	**-6,177.15**
Credit	967.53	1,105.31	1,282.93
Investment Income	845.61	977.85	1,153.24
Compensation of employees	121.92	127.46	129.69
Debit	-8,162.22	-8,980.91	-7,460.07
Investment Income	-8,158.92	-8,968.66	-7,443.68
Compensation of employees	-3.30	-12.25	-16.39
Current transfers(net)	**11,851.46**	**12,282.63**	**13,472.80**
Credit	12,025.45	12,500.21	13,723.80
General Government	188.81	225.81	225.77
Other Sectors	11,836.64	12,274.40	13,498.03
Workers Remittance	11,792.61	12,269.04	11,792.61
Debit	-173.99	-217.58	-251.00
General Government	-	-	-
Other Sectors	-173.99	-217.58	-251.00
Workers Remittance	-25.53	-26.59	-22.94
CAPITAL AND FINANCIAL ACCOUNT	**-1,380.48**	**2,287.26**	**-7,993.57**
Capital account(net)	-	-	-
Credit	-	-	-
Capital Transfers(Debt Forgiveness)	-	-	-
Debit	-	-	-
Capital Transfers	-	-	-
Financial account(net)	**-1,380.48**	**2,287.26**	**-7,993.57**
Assets	**-19,545.27**	**-1,405.94**	**-20,384.37**
Direct investment (Abroad)	-690.27	-690.59	-744.48
Portfolio investment	-0.61	-0.12	-11.70
Other investment	-11,028.47	-5,254.50	-17,474.95
Change in Reserve	-7,825.93	4,539.28	-2,153.23
Liabilities	**18,164.79**	**3,693.20**	**12,390.80**
Direct Invesment in reporting economy	1,244.21	753.28	2,060.05
Portfolio Investment	9,375.33	3,173.23	11,606.72
Other investment liabilities	7,545.26	-233.30	-1,275.97
NET ERRORS AND OMISSIONS	**-4,393.80**	**-1,847.43**	**13,671.40**

Memorandum Items:	1st Half 2018 1/	2nd Half 2018 2/	1st Half 2019 2/
Current Account Balance as % of G.D.P	**2.96**	**-0.19**	**-2.58**
Capital and Financial Account Balance as % of G.D.P	**-0.71**	**1.00**	**-3.64**
Overall Balance as % of G.D.P	**4.01**	**-2.00**	**0.98**
External Reserves - Stock (US $ million)	**47,157.90**	**42,594.84**	**44,747.02**
Number of Months of Imports Equivalent	**15.33**	**11.46**	**9.58**
External Debt Stock (US$ million)	**22,083.44**	**21,591.68**	**25,609.63**
Debt Service Due as % of Exports of Goods Non Factor Services	-	-	-
Effective Central Exchange Rate (N/$)	**305.29**	**305.88**	**306.40**
Average Exchange Rate (N/$)	**305.79**	**306.38**	**306.90**
End-Period Exchange Rate (N/$)	**305.25**	**306.50**	**306.40**

Source: Central Bank of Nigeria
1/ Revised
2/ Provisional

Table 45
Balance of Payments Analytic Presentation
(₦' Million)

	1st Half 2018 1/	2nd Half 2018 2/	1st Half 2019 2/
CURRENT ACCOUNT	**1,762,752.03**	**-133,687.23**	**-1,739,692.23**
Goods	**3,597,142.79**	**3,228,872.72**	**996,816.93**
Exports (fob)	9,230,401.71	10,049,194.20	9,582,436.07
Oil and Gas	8,387,727.30	9,457,630.07	8,280,912.35
Non-oil	842,674.41	591,564.12	1,301,523.71
Imports (fob)	-5,633,258.91	-6,820,321.47	-8,585,619.14
Oil	-1,843,382.47	-1,690,650.29	-1,315,644.97
Non-oil	-3,789,876.44	-5,129,671.18	-7,269,974.17
Unrecorded(TPAdj)	-	-	-
Services(net)	**-3,256,039.80**	**-4,710,754.31**	**-4,971,809.37**
Credit	585,192.98	887,222.04	834,902.54
Transportation	199,440.11	207,291.51	281,975.54
Travel	139,370.29	460,496.06	318,100.78
Insurance Services	59,382.52	9,248.80	33,264.45
Communication Services	37,140.41	33,311.65	33,194.66
Construction Services	-	-	-
Financial Services	68,305.91	96,585.98	90,997.24
Computer & information Services	-	-	-
Royalties and License Fees	-	-	-
Government Services	71,923.11	70,693.39	70,040.04
Personal, cultural & recreational services	-	-	-
Other Bussiness Services	9,630.65	9,594.64	7,329.84
Debit	-3,841,232.78	-5,597,976.35	-5,806,711.91
Transportation	-1,032,288.74	-908,104.60	-1,033,439.17
Travel	-1,098,016.92	-1,826,737.16	-2,083,984.92
Insurance Services	-85,801.60	-84,131.00	-108,079.51
Communication Services	-28,619.25	-22,877.80	-23,105.16
Construction Services	-88.54	-18,363.17	-2,258.56
Financial Services	-56,333.54	-144,542.37	-45,573.11
Computer & information Services	-35,164.04	-44,949.09	-21,295.49
Royalties and License Fees	-38,594.17	-38,667.09	-38,735.15
Government Services	-39,424.92	-39,559.72	-39,609.16
Personal, cultural & recreational services	-1,193.43	-11,176.00	-14,179.58
Other Bussiness Services	-1,425,707.63	-2,458,868.35	-2,396,452.10
Income(net)	**-2,196,425.31**	**-2,408,706.46**	**-1,892,685.87**
Credit	295,371.01	338,084.68	393,092.33
Investment Income	258,152.12	299,100.27	353,356.58
Compensation of employees	37,218.89	38,984.41	39,735.75
Debit	-2,491,796.32	-2,746,791.14	-2,285,778.20
Investment Income	-2,490,787.64	-2,743,041.03	-2,280,754.93
Compensation of employees	-1,008.69	-3,750.11	-5,023.27
Current transfers(net)	**3,618,074.35**	**3,756,900.82**	**4,127,986.09**
Credit	3,671,191.30	3,823,435.24	4,204,893.48
General Government	57,639.54	69,067.49	69,175.17
Other Sectors	3,613,551.76	3,754,367.76	4,135,718.31
Workers Remittance	3,600,109.55	3,752,729.84	3,613,264.18
Debit	-53,116.95	-66,534.42	-76,907.39
General Government	-	-	-
Other Sectors	-53,116.95	-66,534.42	-76,907.39
Workers Remittance	-7,794.63	-8,132.90	-7,028.57
CAPITAL AND FINANCIAL ACCOUNT	**-421,434.13**	**697,381.45**	**-2,449,159.48**
Capital account(net)	-	-	-
Credit	-	-	-
Capital Transfers(Debt Forgiveness)	-	-	-
Debit	-	-	-
Capital Transfers	-	-	-
Financial account(net)	**-421,434.13**	**697,381.45**	**-2,449,159.48**
Assets	**-5,967,037.33**	**-433,037.60**	**-6,245,544.13**
Direct investment (Abroad)	-210,727.97	-211,226.20	-228,111.10
Portfolio investment	-186.60	-36.60	-3,585.89
Other investment	-3,366,864.67	-1,608,723.51	-5,354,215.10
Change in Reserve	-2,389,258.08	1,386,948.71	-659,632.04
Liabilities	**5,545,603.20**	**1,130,419.05**	**3,796,384.66**
Direct Invesment in reporting economy	379,844.51	230,359.74	631,187.10
Portfolio Investment	2,862,166.04	970,440.73	3,556,162.39
Other investment liabilities	2,303,592.66	-70,381.42	-390,964.83
NET ERRORS AND OMISSIONS	**-1,341,317.91**	**-563,694.22**	**4,188,851.70**

Memorandum Items:	1st Half 2018 1/	2nd Half 2018 2/	1st Half 2019 2/
Current Account Balance as % of G.D.P	**2.96**	**-0.19**	**-2.58**
Capital and Financial Account Balance as % of G.D.P	**-0.71**	**1.00**	**-3.64**
Overall Balance as % of G.D.P	**4.01**	**-2.00**	**0.98**
External Reserves - Stock (US $ million)	**47,157.90**	**42,594.84**	**44,747.02**
Number of Months of Imports Equivalent	**15.33**	**11.46**	**9.58**
External Debt Stock (US$ million)	**22,083.44**	**21,591.68**	**25,609.63**
Debt Service Due as % of Exports of Goods Non Factor Services	-	-	-
Effective Central Exchange Rate (N/$)	**305.29**	**305.88**	**306.40**
Average Exchange Rate (N/$)	**305.79**	**306.38**	**306.90**
End-Period Exchange Rate (N/$)	**305.25**	**306.50**	**306.40**

Source: Central Bank of Nigeria
1/ Revised
2/ Provisional

Table 46
Foreign Exchange Flows Through the Economy
(US$ Million)

CATEGORY	1st Half 2015	1st Half 2016	1st Half 2017	1st Half 2018 /2	2nd Half 2018 /3	1st Half 2019 /3
INFLOW	**52,124.57**	**29,154.54**	**34,781.07**	**65,042.93**	**57,921.50**	**68,971.57**
A. Through the Central Bank	**15,283.04**	**8,713.12**	**15,835.15**	**30,511.67**	**28,910.42**	**30,819.73**
1. Oil	9,237.67	4,613.69	4,299.49	7,102.33	8,125.22	7,964.80
2.Non-oil	6,045.36	4,099.43	11,535.66	23,409.34	20,785.20	22,854.93
(i) Drawings on Loans/Grants	-	-	-	-	-	-
(ii) RDAS/WDAS Purchases	645.04	30.00	1,163.81	7,161.60	1,613.87	9,276.50
(iii) Swaps	4,060.00	1,850.00	1,567.00	3,328.89	3,002.95	1,725.00
(iv) Interest on Reserves & Investments	70.41	120.19	102.97	310.94	443.99	572.12
(v) Interest Repatriated from Overseas	0.24	0.15	-	-	-	-
(vi) Refund on World Bank/IBRD/IMF Loans/SDR Allocation	-	-	-	-	-	-
(vii) Cash Swap IRO BDC Sales		-	10.00	1,548.29	3,947.76	4,720.10
(vii) Eurobond Proceeds - Fixed Income Securities	1.34	0.00	-	-	-	-
(viii) Returned Payments [Wired/Cash]	10.56	194.71	753.67	910.21	591.28	642.50
(ix) Unutilised funds from DAS	94.00	49.97	644.73	1,029.53	1,030.52	1,125.30
(x) Recovered Funds		-	-	-	-	-
(xi) Other Official Receipts	1,163.78	1,854.40	864.88	1,616.68	1,991.99	2,124.32
(xii) CBN Interbank Transactions		-	-	-	-	-
(xiiii) Return of Unutilised IMTO Funds		-	310.09	810.28	713.53	703.93
(xv) TSA and Third Party Funds			1,498.09	4,192.93	4,580.96	1,965.16
(xvi) Others (FGN Loans)			4,620.42	2,500.00	2,868.35	-
B. Through Autonomous Sources	**36,841.53**	**20,441.42**	**18,945.92**	**34,531.26**	**29,011.08**	**38,151.84**
1. Non-Oil Exports	2,431.21	1,592.34	1,910.83	1,395.41	840.55	702.00
2. Capital Inflow	41.17	58.78	33.80	21.65	19.63	100.49
3. Invisibles	34,369.15	18,790.30	17,001.29	33,114.21	28,150.91	37,349.35
(a) Ordinary Domiciliary Accounts		11,959.46	9,994.31	9,554.10	9,575.93	7,998.14
(b) Total OTC Purchases		6,830.83	7,006.99	23,560.11	18,574.97	29,351.21
(i) Oil Companies		3,328.12	897.39	42.42	2,084.31	726.64
(ii) Capital Importations		1,738.94	2,817.11	11,696.02	5,512.89	15,585.21
(iii) Home Remittances		152.73	389.50	912.09	825.42	2,231.79
(iv) Other OTC Purchases		1,611.04	2,902.98	10,909.58	10,152.35	10,807.58
OUTFLOW	**21,837.26**	**11,880.58**	**13,879.61**	**24,929.42**	**35,985.95**	**30,759.51**
A. Through the Central Bank	**21,070.35**	**10,742.85**	**12,775.68**	**22,942.34**	**33,388.79**	**28,846.76**
1. RDAS/Forex Intervention & Utilisation	**18,273.40**	**7,805.33**	**9,835.84**	**15,472.02**	**22,669.50**	**18,037.93**
(i) RDAS Sales	3,184.55	-	-			
(ii) RDAS Forward/Inter-Bank FWD	1,339.82	-	4,426.20	6,774.11	6,126.62	1,473.78
(iii) BDC Sales	1,825.41	15.49	1,198.98	3,166.47	5,660.34	6,861.69
(iv) Inter-bank Sales	9,673.62	5,599.84	4,011.98	3,202.48	2,700.68	805.34
(v) Swaps	2,250.00	2,190.00	198.68	2,328.96	2,251.64	2,068.10
(vi) Importer & Exporter FX Sales	-	-	-	-	5,930.23	1,076.48
(vii) SMIS				-	-	3,215.30
(viii) Wholesale Forward Intervention				-	-	1,907.24
(iX) SME				-	-	629.99
2. Drawings on L/C	**142.62**	**57.13**	**184.66**	**187.59**	**223.48**	**394.54**
3. External Debt Service	**207.16**	**166.11**	**189.83**	**405.66**	**1,044.47**	**624.21**
(i) Principal	90.99	84.45	-	-	-	-
(ii) Interest	-	-	-	-	-	-
(iii) Others 1/	116.17	81.67	189.83	405.66	1,044.47	624.21
4. Professional Fees/Commission	-	-	-	-	-	-
5. Govt and Int'l Grants / Contributions, Grants & Equity Investments (AFC Equity Participation)	-	-	29.99	-	-	-
6. National Independent Priority Projects (Niger-Delta Payments)	**91.00**	**21.58**	**0.61**	**12.92**	**0.16**	**0.55**
7. Forex Special Payment (NSA) (Cash Swap/FX Advance/To MDAs)		-	**57.48**	**209.42**	**53.88**	**75.42**
8. Other Official Payments	**1,847.36**	**1,699.91**	**1,473.57**	**4,131.80**	**5,986.28**	**7,475.96**
(i) Int'l Organisations & Embassies /4	290.44	118.19	-	-	-	-
(ii) Estacode	522.96	38.56	29.55	135.70	45.73	25.63
(iii) Parastatals (Public Sector Uses)	120.20	278.77	581.35	2,617.17	4,614.56	5,387.57
(iv) NNPC/JVC (JVC) Cash Calls	892.52	1,155.09	862.67	1,378.93	1,325.99	2,062.76
(v) Miscellaneous (CBN Uses)	21.24	109.30	-	-	-	-
9. Bank Charges	0.04	0.09	4.72	10.39	23.78	1.75
10. NSIA Transfer	-	-	-	-	-	-
11. Funds Returned to Remitters	45.96	10.04	23.38	252.38	156.97	6.77
12. 3rd Party MDA Transfer	462.79	982.65	975.60	2,260.15	3,230.27	2,229.64
B. Through Autonomous Sources	**766.92**	**1,137.74**	**1,103.93**	**1,987.09**	**2,597.16**	**1,912.75**
1. Imports	385.05	326.18	319.12	200.69	733.28	585.71
2. Invisibles	381.87	811.56	784.81	1,786.40	1,863.88	1,327.04
NETFLOW THROUGH THE CBN	**(5,787.31)**	**(2,029.72)**	**3,059.47**	**7,569.33**	**(4,478.37)**	**1,972.97**
NETFLOW	**30,287.31**	**17,273.96**	**20,901.46**	**40,113.51**	**21,935.55**	**38,212.06**

Source: Central Bank of Nigeria

1/ Includes penalty and service charges

2/ Revised

3/ Provisional

4/ Includes IMF (SDR charges)

Table 47
Nigeria's Gross External Reserves
(US$ Million)

Month	2015	2016	2017	2018	2019
January	32,385.71	27,607.85	28,592.98	41,150.28	42,515.66
February	29,566.99	27,811.82	29,990.36	45,276.58	42,328.96
March	29,357.21	27,336.38	29,996.38	46,730.54	44,793.08
April	29,829.75	26,614.81	30,749.28	47,438.22	44,474.29
May	28,566.54	26,594.39	29,811.85	46,923.01	44,898.42
June	28,335.21	26,505.50	30,340.96	47,157.90	44,747.02
July	31,222.81	25,581.58	30,898.96	45,814.20	
August	30,637.17	25,031.93	31,278.95	44,606.79	
September	29,880.21	23,806.51	33,159.73	42,608.95	
October	30,336.36	23,689.87	34,332.58	40,651.23	
November	29,263.02	25,081.22	38,207.96	43,348.25	
December	28,284.82	26,990.58	39,353.49	42,594.84	

Source: Central Bank of Nigeria

Table 48
Nigeria's Foreign Exchange Cross Rates
Naira per Unit of Foreign Currency (Monthly Average)

2015	Pounds	Euro	CFAFr	US$ (RDAS/IFEM)	US$ (BDC)
Jan	254.39	194.85	0.30	169.68	196.13
Feb	274.79	204.78	0.31	178.54	213.03
Mar	295.20	213.64	0.32	197.07	222.93
Apr	294.73	212.54	0.32	197.00	210.70
May	304.79	219.85	0.34	197.00	219.55
Jun	306.37	220.74	0.34	196.92	218.98
1st Half Average	**288.38**	**211.07**	**0.32**	**189.37**	**213.55**
Jul	306.41	216.87	0.33	196.97	237.15
Aug	307.21	219.33	0.33	197.00	216.64
Sep	302.55	221.22	0.34	197.00	222.68
Oct	302.26	221.45	0.34	196.99	224.98
Nov	299.38	211.53	0.32	196.99	232.40
Dec	295.39	214.00	0.32	196.99	258.30
2nd Half Average	**302.20**	**217.40**	**0.33**	**196.99**	**232.02**
2016	**Pounds**	**Euro**	**CFAFr**	**US$ (IFEM)**	**US$ (BDC)**
Jan	283.62	214.09	0.33	197.00	289.78
Feb	281.79	218.55	0.33	197.00	329.83
Mar	280.40	218.89	0.33	197.00	320.93
Apr	282.07	223.46	0.34	197.00	320.71
May	286.33	222.85	0.34	197.00	336.93
Jun	328.53	260.03	0.38	231.76	351.82
1st Half Average	**290.46**	**226.31**	**0.34**	**202.79**	**325.00**
Jul	388.37	325.90	0.49	294.57	364.47
Aug	406.13	347.33	0.53	309.73	396.15
Sep	401.08	342.17	0.52	305.23	431.10
Oct	375.71	336.21	0.51	305.21	462.03
Nov	379.49	329.83	0.50	305.18	415.36
Dec	381.39	322.13	0.47	305.22	455.26
2nd Half Average	**388.70**	**333.93**	**0.50**	**304.19**	**420.73**
2017	**Pounds**	**Euro**	**CFAFr**	**US$ (IFEM)**	**US$ (BDC)**
Jan	376.32	324.37	0.49	305.20	493.29
Feb	381.17	324.95	0.50	305.31	494.70
Mar	378.13	327.35	0.50	306.40	429.48
Apr	386.92	328.15	0.50	306.05	392.89
May	395.04	337.72	0.51	305.54	384.48
Jun	391.57	343.24	0.52	305.72	366.25
1st Half Average	**384.86**	**330.96**	**0.50**	**305.70**	**426.85**
Jul	397.36	352.13	0.54	305.86	365.38
Aug	396.08	360.93	0.55	305.67	365.57
Sep	408.57	364.53	0.56	305.89	365.55
Oct	403.25	359.34	0.55	305.62	362.21
Nov	404.45	359.07	0.54	305.90	362.41
Dec	410.48	362.36	0.55	306.31	362.83
2nd Half Average	**403.37**	**359.73**	**0.55**	**305.88**	**363.99**
2018	**Pounds**	**Euro**	**CFAFr**	**US$ (IFEM)**	**US$ (BDC)**
Jan	422.35	373.00	0.57	305.78	363.20
Feb	427.40	377.84	0.58	305.90	362.48
Mar	427.26	377.19	0.57	305.74	362.07
Apr	428.38	374.22	0.57	305.61	362.25
May	412.23	361.67	0.55	305.83	362.86
Jun	406.64	357.48	0.54	305.87	360.66
1st Half Average	**420.71**	**370.23**	**0.56**	**305.79**	**362.25**
Jul	402.76	357.40	0.54	305.81	359.36
Aug	394.24	353.54	0.54	306.06	359.00
Sep	399.86	357.14	0.54	306.27	359.25
Oct	398.86	351.87	0.54	306.51	360.81
Nov	395.87	348.61	0.53	306.71	362.82
Dec	389.40	349.53	0.53	306.92	363.46
2nd Half Average	**396.83**	**353.02**	**0.54**	**306.38**	**360.78**
2019	**Pounds**	**Euro**	**CFAFr**	**US$ (IFEM)**	**US$ (BDC)**
Jan	395.53	350.45	0.53	306.85	360.94
Feb	399.02	348.31	0.53	306.77	359.76
Mar	404.28	347.06	0.53	306.92	359.24
Apr	400.18	344.95	0.53	306.96	359.00
May	393.98	343.34	0.52	306.95	359.75
Jun	388.93	346.91	0.53	306.95	359.94
1st Half Average	**396.99**	**346.84**	**0.53**	**306.90**	**359.77**

Source: Central Bank of Nigeria

Note: The Interbank exchange rate became the reference official rate on February 18, 2015 when the RDAS segment of the FOREX market was closed by the CBN.

Table 49
Monthly Average Exchange Rate Movements
(₦/US$ 1.00)

2015	RDAS	Interbank	BDC
Jan	169.68	181.78	196.13
Feb	169.68	194.48	213.03
Mar	Closed	197.07	222.93
Apr	Closed	197.00	210.70
May	Closed	197.00	219.55
Jun	Closed	196.92	218.98
1st Half	**Closed**	**194.04**	**213.55**
End-Period	**Closed**	**196.95**	**225.50**
Jul	Closed	196.97	237.15
Aug	Closed	197.00	216.64
Sep	Closed	197.00	222.68
Oct	Closed	196.99	224.98
Nov	Closed	196.99	232.40
Dec	Closed	196.99	258.30
2nd Half	**Closed**	**196.99**	**232.02**
End-Period	**Closed**	**197.00**	**267.00**
2016	**RDAS**	**Interbank**	**BDC**
Jan	Closed	197.00	289.78
Feb	Closed	197.00	329.83
Mar	Closed	197.00	320.93
Apr	Closed	197.00	320.71
May	Closed	197.00	336.93
Jun	Closed	231.76	351.82
1st Half	**Closed**	**202.79**	**325.00**
End-Period	**Closed**	**283.00**	**348.00**
Jul	Closed	294.57	364.47
Aug	Closed	309.73	396.15
Sep	Closed	305.23	431.10
Oct	Closed	305.21	462.03
Nov	Closed	305.18	415.36
Dec	Closed	305.22	455.26
2nd Half	**Closed**	**304.19**	**420.73**
End-Period	**Closed**	**305.00**	**490.00**
2017	**RDAS**	**Interbank**	**BDC**
Jan	Closed	305.20	493.29
Feb	Closed	305.31	494.70
Mar	Closed	306.40	429.48
Apr	Closed	306.05	392.89
May	Closed	305.54	384.48
Jun	Closed	305.72	366.25
1st Half	**Closed**	**305.70**	**426.85**
End-Period	**Closed**	**305.90**	**366.00**
Jul	Closed	305.86	365.38
Aug	Closed	305.67	365.57
Sep	Closed	305.89	365.55
Oct	Closed	305.62	362.21
Nov	Closed	305.90	362.41
Dec	Closed	306.31	362.83
2nd Half	**Closed**	**305.88**	**363.99**
End-Period	**Closed**	**306.00**	**363.00**
2018	**RDAS**	**Interbank**	**BDC**
Jan	Closed	305.78	363.20
Feb	Closed	305.90	362.48
Mar	Closed	305.74	362.07
Apr	Closed	305.61	362.25
May	Closed	305.83	362.86
Jun	Closed	305.87	360.66
1st Half	**Closed**	**305.79**	**362.25**
End-Period	**Closed**	**305.75**	**360.50**
Jul	Closed	305.81	359.36
Aug	Closed	306.06	359.00
Sep	Closed	306.27	359.25
Oct	Closed	306.51	360.81
Nov	Closed	306.71	362.82
Dec	Closed	306.92	363.46
2nd Half	**Closed**	**306.38**	**360.78**
End-Period	**Closed**	**307.00**	**361.00**
2019	**RDAS**	**Interbank**	**BDC**
Jan	Closed	306.85	360.94
Feb	Closed	306.77	359.76
Mar	Closed	306.92	359.24
Apr	Closed	306.96	359.00
May	Closed	306.95	359.75
Jun	Closed	306.95	359.94
1st Half	**Closed**	**306.90**	**359.77**
End-Period	**Closed**	**306.90**	**360.00**

Source: Central Bank of Nigeria

CBN closed the RDAS segment of the FOREX market on February 18, 2015.

Table 50
Supply of Foreign Exchange
(US$ Million)

Year/Month	2018							First Half 2019								
	Interbank Sales (Auction) Including Spot, Invisible, SME and I&E.	Interbank Sales (Cash-Backed)	Sales to BDCs	Interbank Forward Sales (Auction)	Interbank Forward Sales (Cash-Backed)	Swaps	Total Supply	Interbank Sales (Auction)	Interbank Sales (Cash-Backed)	Sales to BDCs	Invisible, SME and I&E (Cash-Backed)	Interbank Forward Sales (Auction)	Interbank Forward Sales (Cash-Backed)	Wholesale Forward	Swaps	Total Supply
January	417.20	301.95	495.24	925.92	1,110.93	117.31	2,025.43	807.07	262.65	1,296.59	483.89	679.60	1,441.67	-	76.50	3,561.30
February	345.90	209.58	405.13	891.36	1,161.11	55.16	1,830.98	564.75	101.40	1,138.54	1,174.36	1,368.21	32.11	313.27	588.16	3,347.85
March	412.00	170.70	452.38	888.93	1,040.96	370.71	2,034.75	563.06	135.04	1,187.80	978.07	596.72	-	388.60	1,059.38	3,748.89
April	533.86	202.66	515.76	842.09	1,313.76	170.83	2,203.01	620.67	95.90	986.60	957.52	623.35	-	381.90	10.80	2,432.73
May	634.19	1,302.70	499.29	758.54	1,223.46	515.55	3,541.01	610.73	127.12	1,212.68	665.11	844.32	-	417.11	46.40	2,468.42
June	1,152.50	1,014.88	798.67	1,004.25	923.89	1,099.40	3,836.84	567.68	83.23	1,039.48	662.82	513.09	-	406.35	286.84	2,478.73
First Half	**3,495.64**	**3,202.48**	**3,166.47**	**5,311.10**	**6,774.11**	**2,328.96**	**15,472.02**	**3,733.95**	**805.34**	**6,861.69**	**4,921.78**	**4,625.29**	**1,473.78**	**1,907.24**	**2,068.10**	**18,037.92**
July	1,292.28	1,102.07	893.28	874.60	966.38	1,060.88	4,022.61									
August	2,050.39	603.27	797.04	806.80	1,163.25	304.16	2,867.72									
September	2,509.55	250.12	828.20	802.15	859.33	33.35	1,971.00									
October	1,590.46	289.62	968.62	1,018.08	1,121.19	24.93	2,404.35									
November	1,250.21	263.33	995.71	1,420.28	1,010.76	67.40	2,337.20									
December	1,729.03	192.27	1,177.49	821.52	1,005.70	760.93	3,136.38									
Second Half	**10,421.92**	**2,700.68**	**5,660.34**	**5,743.42**	**6,126.62**	**2,251.64**	**16,739.27**									

Source: Central Bank of Nigeria

Total supply comprises all cash-backed spot and forward sales at the different FOREX market segments, wholesale forward and swaps.

CBN closed the RDAS segment of the FOREX market on February 18, 2015.

Table 51
Sectoral Utilization of Foreign Exchange
(US Dollar)

SECTORS	1st Half 2015	1st Half 2016	1st Half 2017	1st Half 2018 1/	2nd Half 2018	1st Half 2019 1/
A. Imports	**15,215,575,071.71**	**8,852,611,269.25**	**7,364,998,409.50**	**7,592,888,839.72**	**8,280,131,109.28**	**7,039,853,146.43**
Industrial Sector	4,493,151,505.19	2,946,712,931.16	3,266,078,241.66	3,323,954,022.71	3,915,769,945.31	3,139,302,633.82
Food Products	2,388,706,799.43	1,003,229,417.58	635,679,458.20	1,059,535,106.86	1,245,648,429.31	1,018,251,139.32
Manufactured Products	2,345,876,977.09	1,542,644,777.06	1,037,599,371.48	1,865,029,181.65	1,656,774,564.79	1,488,983,746.55
Transport Sector	551,500,023.46	257,479,536.32	202,690,647.57	250,742,192.84	219,381,568.51	293,963,929.31
Agricultural Sector	134,476,199.54	101,522,957.10	119,692,811.00	130,066,818.52	156,768,254.63	114,976,977.61
Minerals	272,719,634.74	43,160,449.27	43,125,418.58	66,892,514.57	91,519,915.06	153,458,244.79
Oil Sector	5,029,143,932.26	2,957,861,200.76	2,060,132,461.01	896,669,002.57	994,268,431.67	830,916,475.03
B. Invisibles	**10,527,665,789.29**	**4,256,388,912.77**	**4,695,483,165.42**	**10,048,463,297.27**	**14,888,023,767.93**	**11,359,418,643.12**
Business Services	848,445,662.91	283,899,866.62	558,819,878.91	993,332,583.66	2,370,775,244.80	902,582,176.35
Communication Services	349,419,890.87	63,726,178.74	139,275,231.58	89,503,224.42	117,664,396.48	138,547,161.80
Construction and Engineering	49,253,638.79	257,282.43	-	291,455.44	390,560.00	7,371,547.48
Distribution Services	29,288,273.16	11,933,333.38	4,916,699.05	7,907,612.12	4,113,092.63	23,723,409.37
Educational Services	244,053,566.86	316,150,957.37	235,831,630.79	288,772,761.38	258,004,595.30	90,961,393.76
Environmental Services	-	-	-	0.00	6,166.20	24,677.80
Financial Services	8,257,543,710.34	3,264,410,451.02	3,122,109,272.19	7,832,799,309.30	11,375,613,510.80	9,661,733,358.51
Health Related and Social Services	858,801.93	3,287,760.74	1,553,904.69	942,172.46	269,621.40	268,210.50
Tourism and Travel Related Services	131,694,368.56	9,187,235.78	39,394,273.87	3,908,888.48	36,526,293.38	45,642,669.39
Recreational, Cultural and Sporting Services	-	12,758.55	-	0.00	20,000.00	600,000.00
Transport Services	451,772,572.86	241,964,311.63	274,136,611.37	713,040,276.03	428,853,334.69	411,894,209.86
Other Services not Included Elsewhere	165,375,303.01	61,558,776.51	319,445,662.97	117,965,013.98	295,786,952.25	76,069,828.30
TOTAL (A+B)	**25,743,210,861.00**	**13,109,000,182.02**	**12,060,481,574.92**	**17,641,352,136.99**	**23,168,154,877.21**	**18,399,271,789.55**

Source: Central Bank of Nigeria
1/ Provisional

Table 52
Total External Assets of Financial Institutions
(Naira Million)

	End-June 2015	End-June 2016	End-June 2017	End-June 2018	End-December 2018	End-June 2019 1/
1. Monetary Authorities	**7,646,654.46**	**8,022,108.88**	**9,449,922.16**	**18,204,739.37**	**18,182,232.15**	**17,658,803.81**
Foreign Assets	**7,646,654.46**	**8,022,108.88**	**9,449,922.16**	**18,204,739.37**	**18,182,232.15**	**17,658,803.81**
Gold	19.01	19.01	19.01	19.01	19.01	19.01
IMF Reserve Tranche	22.62	22.62	22.62	22.62	22.62	22.62
Foreign Currencies	50,119.83	80,286.35	152,856.43	316,146.16	131,940.87	75,515.69
Demand Deposits at Foreign Banks	7,132,975.63	7,348,315.40	6,390,693.98	14,344,501.76	14,210,073.64	13,267,507.44
of which: Domicilliary Accounts	216,467.10	1,934,552.48	2,079,248.89	3,306,474.42	4,232,411.64	3,398,210.83
Securities of Foreign Governments	702.76	828.21	2,205,283.74	2,874,408.07	3,091,125.44	3,456,181.24
SDR Holdings	462,814.61	592,637.30	631,681.32	650,823.78	639,069.95	743,882.83
Foreign Equity		-	744.55	744.55	744.55	744.55
FX Swap/Forward/Futures			68,620.51	18,073.42	109,236.06	114,930.43
Regional Monetary Cooperation Funds						
Other Foreign Assets						
2. Semi Official Institutions	-	-	-	-	-	-
i) BOI	-	-	-	-	-	-
ii) Others	-	-	-	-	-	-
3. Deposit Money Banks	**1,748,403.66**	**2,379,967.15**	**2,447,082.43**	**2,970,213.50**	**2,986,601.56**	**4,014,049.37**
Total Assets	**9,395,058.12**	**10,402,076.02**	**11,897,004.59**	**21,174,952.87**	**21,168,833.71**	**21,672,853.18**
Total Assets (US$' Million)	**47,702.76**	**36,756.45**	**38,891.81**	**69,255.77**	**68,953.86**	**70,618.62**
Exchange Rate (End-period)	**196.95**	**283.00**	**305.90**	**305.75**	**307.00**	**306.90**
Source: Central Bank of Nigeria						
1/ Provisional						