

Weekly Economic & Business Review

APRIL 14, 2009

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HIGHLIGHTS

Politics and Policies

- FG Approves Anti-Graft Bill
- ECOWAS Sets up Anti-Corruption Body
- FG Harmonises NEEDS 2 and 7-Point Agenda for New Development Plan
- FCT Approves New Guidelines for Mass Housing Projects
- CBN and FIRS Fault Emergency Development Tax Bill
- FG Appoints Representatives to Liaise with US on KBR's Bribery

Economy

- Central Bank Cuts Benchmark Rate
- Nigerian Banks to Confine ATMs to Premises
- Investment in Stocks Declines by 826.5%
- Lekki Free Trade Zone to Gulp \$267 Million
- Capacity Utilisation Declines to 35.2%
- House of Representatives Back BOI's N250 Billion Recapitalisation
- Abia State to Float N30 Billion Bond
- Nigeria Savings Sufficient to Fund Deficit Spending
- FADAMA Project Spreads to 36 States
- FG Approves Contract Worth N41.5 Billion for Fertilizer Supply
- FG Approves Road Contracts Worth N24 billion

Market Analysis

The Stock Market | FGN Securities | NIBOR Rates | NIFEX Spot Rates | Inter-bank Rates | LIBOR Rates | Treasury Bills | Maturing PMA | Average Deposit and Lending Rates | Foreign Exchange Market

Business Update

- Access Bank Adopts New Reporting Standards

- Leventis Commissions N2.5 billion Food Factory
- Air France-KLM to Increase Flight Services
- Telecoms Consortium Signs MOU on Laying African Undersea Cable
- Tantilizers Grows Profit by 29.7%
- NAHCO's Profit Grows by 36.1%
- FTN Cocoa Grows Profit by 37.3%
- ING Re-Strategize Operations
- RBS to Cut 9,000 Jobs

Regional Developments

- Tanzania - Trade Deficit Rises by 20.8% | Government to Receive \$690 Million in Aids
- Uganda - GDP Growth to Slowdown in 2009
- Kenya - World Bank Approves \$333 Million Loan for 2 Projects
- Mauritius - Inflation Rate Falls to 8.5% in March 2009

World Economy

- United States - Trade Deficit Declines by 28.2%
- United Kingdom - BOE Left Benchmark Rate Unchanged, Manufacturing Shrinks Further
- India - Industrial Production Declines by 1.2%
- Japan - Government Unveiled \$154 billion Stimulus Plan
- Russia - PMI Shrinks Further
- China - Trade Surplus Rose by 287.5% in March
- Brazil - Inflation Rate Falls to 5.61%

Nigeria Economic Indicators

Buzzword

Deficit Financing

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APRIL 14, 2009

FG has approved a bill seeking to empower law enforcement and anti-graft agencies to confiscate properties of individuals or corporate bodies suspected to have been acquired through corruption. The bill, which would be forwarded to the National Assembly for consideration, would allow Government to sell such property. Assets, whose owners have allowed their use for corrupt activities, would also be forfeited. Money laundering, drug trafficking and terrorism are some of the crimes whose proceeds stand to be confiscated.

The Economic Community of West African States (ECOWAS) has set up a new regional anti-corruption body. The body would ensure inter-state cooperation in fighting graft and is expected to encourage member states to constitute individual anti-corruption agencies. The body is also expected to harmonise the legal, regulatory and administrative arrangements of each member states's agency, promote exchange of experiences, standardise techniques and approaches across the region. Nigeria was elected to head the anti-graft body following considerable successes in various anti-corruption efforts.

FG has disclosed plans to harmonise the 7-point agenda and the draft National Economic Empowerment and Development Strategy (NEEDS-2) in a new National Development Plan. The plan, which is expected to be finalized within 4 months, will cover a 3-year period from 2009 to 2012. National Planning Commission would coordinate inputs from all participating federal ministries, departments and agencies.

FG has approved guidelines for carrying out Mass Housing Projects in the Federal Capital Territory (FCT), Abuja. Under the new rule, investors/developers would be required to produce bank guarantees (or memorandum of understanding with financiers) as evidence of capacity. Technical competence would also be verified. The aim of the guideline is to ward off land speculators.

Central Bank of Nigeria (CBN) and Federal Inland Revenue Service (FIRS) have faulted the proposed bill by the House of Representatives to establish an Energy Development Fund. Both organisations argued that additional tax burden would raise the cost of doing business in the country, which ultimately would result in increases in prices of goods and services. If passed into law, companies operating in the country will be mandated to pay 2% of gross profit as tax.

FG has appointed Kayode Oladele and Jack Blum to liaise with the relevant US authorities in the \$180 million Halliburton bribe scandal. Government plans to prosecute Nigerians involved in the fraudulent deal. KBR Inc, a US based engineering company, pleaded guilty to charges that the said sum was paid to Nigerian officials in bribes to secure a \$6 billion contract to build and expand Bonny Island liquefied natural gas terminal. KBR, a former subsidiary of Halliburton, contravened the Foreign Corrupt Practices Act (FCPA) that prohibits firms listed in the US from giving bribes.

Politics & Policies

FG Approves Anti-Graft Bill

ECOWAS Sets up Anti-Corruption Body

FG Harmonises NEEDS 2 and 7-Point Agenda for New Development Plan

FCT Approves New Guidelines for Mass Housing Projects

CBN and FIRS Fault Emergency Development Tax Bill

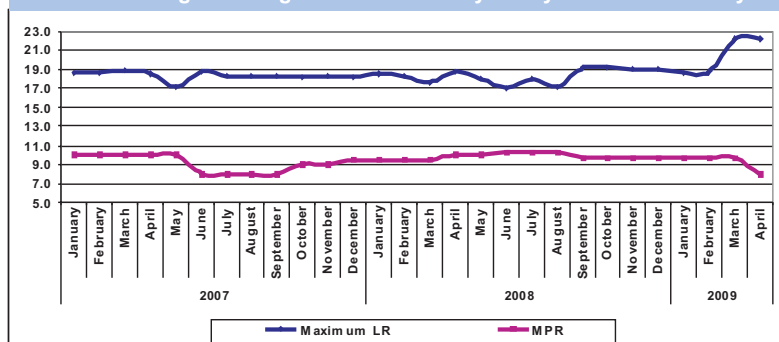
FG Appoints Representatives to Liaise with US on KBR's Bribery

APRIL 14, 2009

Economy

Central Bank of Nigeria (CBN) cut its key interest rate by 175 basis points from 9.75% to 8.00% during its Monetary Policy Committee (MPC) meeting held on April 8, 2009. The Cash Reserve Ratio (CRR) and Liquidity Ratio (LR) of commercial banks were also slashed from 2% to 1% and 30% to 25%, respectively effective from April 14, 2009. The decision was hinged on need to boost bank lending to stimulate the economy. Meanwhile, CBN has disclosed plans to sanction banks that fail to comply with directive to peg deposit and lending rates at 15% and 22%, respectively.

Chart 1: Average Lending Rates vs Monetary Policy Rate - Trend Analysis



Source: CBN & Money Market Association of Nigeria

Central Bank of Nigeria (CBN) has directed commercial banks operating in the country to restrict the deployment of Automatic Telling Machines (ATMs) to their premises. Consequently, banks were ordered to remove their ATMs from public places on or before June 30, 2009. The decision was to curtail competition for public space. Only ATM Consortium (ATMC) would be allowed to deploy ATMs in public places.

A recent report by the Nigerian Stock Exchange (NSE) shows that the amount invested in stocks in the Q1 2009 stood at N106.9 billion, representing an 826.5% decline below N990.4 billion recorded in the corresponding period of 2008. The decline was due mainly to fall in prices of stocks, as well as low investors confidence in the market during the period. The NSE All-Share Index declined by 37.0% in Q1 2009, compared to 8.7% index appreciation in Q1 2008.

Lagos State Government and a Chinese consortium have earmarked the sum of \$267 million for the development/upgrade of Lekki Free Trade Zone (LFTZ) to world class standards. Of the sum, the consortium would contribute \$200 million (74.9%), while the State Government would provide the balance of \$67 million. The zone, which covers 16,500 hectares, would contain facilities such as seaport, light rail, international airport and telecommunications facilities when completed.

A recent report by the Manufacturers Association of Nigeria (MAN) shows that industrial capacity utilisation in the country declined further from 38.0% recorded in February 2009 to 35.2% as at end of first quarter. The decline was attributed to rising cost of private power generation (resulting in scale down of production), port congestion, depreciation of the Naira, high excise duty & lending rates, lack of finance resulting from current stock market downturn, as well as smuggling of banned products into the country.

House of Representatives has disclosed plans to support the Bank of Industry's recapitalization drive. The bank, which currently has N47 billion disburseable funds, plans to raise the sum to N250 billion to strengthen its lending capacity to small and medium scale industries. BOI plans to grow its lending by N50 billion annually over the next 5 years to promote industrialisation. The Federal Ministry of Finance controls 60% stake in the bank, while the Central Bank of Nigeria holds 40%.

Abia State Government has unveiled plans to raise N30 billion from the bond market to finance some socio-economic projects in the state. Proposed projects include construction & rehabilitation of roads, provision of educational facilities, housing units, water projects, building of specialist hospitals, as well as development of tourism centres and constituency projects.

Enugu State Government recently disclosed that the FADAMA III Agricultural Development programme has commenced in 17 Local Government Areas of the state. To access the World Bank-sponsored programme, the State Government and local councils made counterpart contributions of N51 million and N34 million, respectively. The scheme is aimed at boosting food production and alleviating poverty among rural dwellers.

Central Bank Cuts Benchmark Rate

Nigerian Banks to Confine ATMs to Premises

Investment in Stocks Declines by 826.5%

Lekki Free Trade Zone to Gulp \$267 Million

Capacity Utilisation Declines to 35.2%

House of Representatives Back BOI's N250 Billion Recapitalisation

Abia State to Float N30 Billion Bond

Enugu Earmarks N85 Million for FADAMA III Programme

APRIL 14, 2009

Economy

World Bank has hinted that the country's \$13.5 billion savings from crude oil windfall would be sufficient to finance expected budgetary shortfalls in both 2009 and 2010, respectively. The Bank however based projected expenditures at roughly 2008 levels. Nigeria saves oil revenue above a benchmark price into an Excess Crude Account to guard against price volatility. The World Bank also opined that the country's banking system remained strong and there was no systemic risk threat. CBN's plans to (through a public-private asset management company) buy up banks' bad debts, as well as calls for banks to adopt the International Financial Reporting Standards (IFRS) were also commended.

FG and World Bank have disclosed plans to expand FADAMA III Projects from 18 states as under FADAMA II to the 36 states and FCT. The Project is aimed at boosting agriculture production and is expected to gulp \$450 million. Of the sum, the World Bank will commit \$250 million, while the Federal, State and Local Governments will contribute the balance of \$200 million as counterpart funds. About 20 State Governments have so far paid their counterpart funds. FADAMA II project was executed at the cost of \$130 million.

FG has awarded a N41.5 billion contract to 7 companies for the procurement of fertilizers for distribution to farmers across the country in the 2009 farming season. The companies - Tak Continental, Golden Fertiliser, Notore Chemicals, Federal Super-Phosphate, Industrial Minerals and Earth Care Nigeria are expected to purchase a total of 405,000 metric tonnes of fertilisers. The commodity will be made available to farmers at a 25% subsidy, paid by the State Government.

FG has approved various road construction and rehabilitation contracts worth N24 billion across the country. The roads include the Hadejia-Nguru Road, Ifon-Uzebba-Iruepken Road and approach road to Ose Bridge, in Edo State, the Nguru-Gushua-Bayamari Road, and the Akungba-Ikare-Omuo-Kabba Road, among others. The projects were provided for in the 2008 budget but rolled over to 2009.

Nigeria Savings Sufficient to Fund Deficit Spending

FADAMA Project Spreads to 36 States

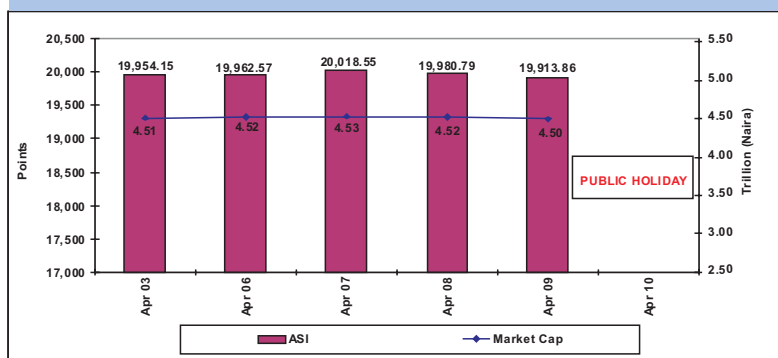
FG Approves Contract Worth N41.5 Billion for Fertilizer Supply

FG Approves Road Contracts Worth N24 billion

The Stock Market

The slight improvement of stocks witnessed at the beginning of the week was not sustained as all indicators declined at close of the four-day trading week. The ASI and market capitalization of the 216 shares listed on the Nigerian Stock Exchange (NSE) marginally declined by 0.20% and 0.11%, respectively. Food/Beverages, Oil/Gas and Banking sectors appreciated by 0.1%, 2.6% and 0.6%, respectively, while the insurance sector fell by 3.1%. Some banks have rolled out plans to offer shares to their retiring staff and also, use 30% of their staff salaries to purchase shares in a bid to buoy their share prices. Another team of asset managers from Blakeney, a London-based management firm expressed their readiness to explore opportunities in the market. Given these, we expect investors' confidence to gradually return to the market and the declining trend to moderate this week.

Chart 2: Stock Market - 1 Week Trend



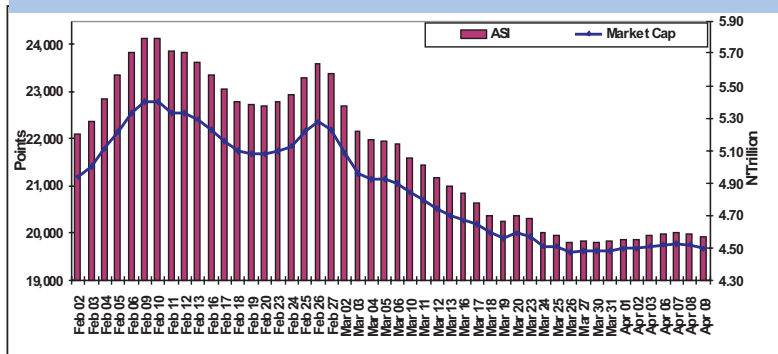
Source: NSE

Table 1: Stock Market at a Glance

	Last Week	Previous Week	1 Week Change	Ytd Change
ASI	19,913.86	19,954.15	(0.20)	(36.7)
Market Cap (N'trillion)	4.50	4.51	(0.11)	(35.3)
Volume (million)	0.90	1.72	(47.67)	-
Turnover (N'billion)	5.58	9.76	(42.85)	-

Source: NSE

Chart 3 : Stock Market

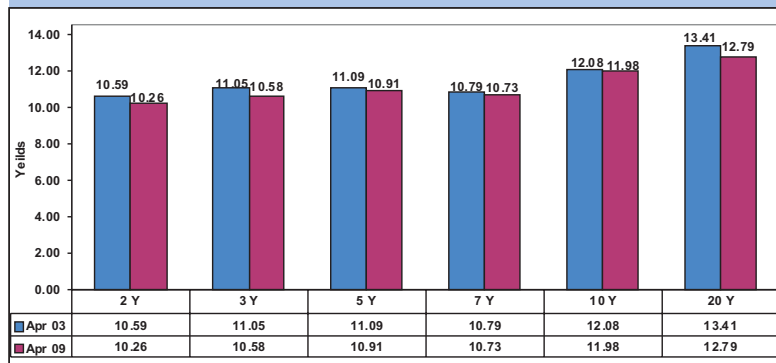


Source: NSE

FGN Securities

Activities in the Bond market declined last week as the average bond yields fell across all maturities. Given the liquidity to be injected into the system following the MPC decisions, we expect cost of borrowing to ease and yields to slightly rise this week.

Chart 4: FGN Securities Yield April 03 vs April 09, 2009



Source: FDHL

NIBOR Rates

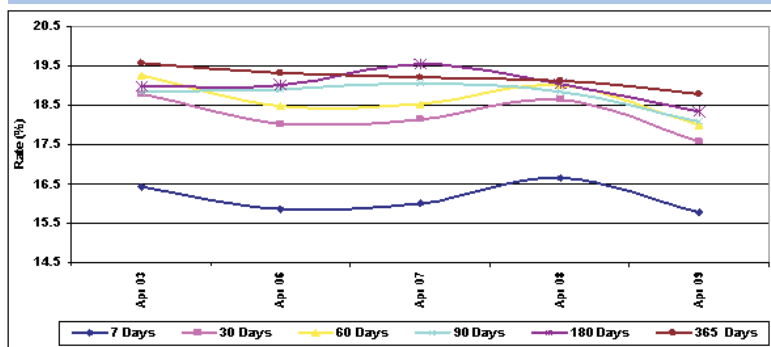
On April 8, the Monetary Policy Committee of the CBN slashed the Monetary Policy Rate (MPR) by 175 basis points to 8.0%, and effective April 14, liquidity ratio and CRR will be reduced from 30% to 25% and 2% to 1%, respectively. The decisions of the MPC led to downward movement in rates across all tenors at close of last week. with the expected cash inflows from CRR reduction, we expect rates to further inch downwards in the current week.

Table 2: NIBOR Rates

Date	Tenor						
	CALL	7 Day	30 Day	60 Day	90 Day	180 Day	365 Day
Apr 03	15.2083	16.4250	18.7900	19.2633	18.8542	18.9786	19.5786
Apr 06	15.3736	15.8842	18.0403	18.4717	18.8950	19.0217	19.3283
Apr 07	15.5617	16.0217	18.1317	18.5367	19.0650	19.5450	19.2217
Apr 08	16.0000	16.6700	18.6467	19.0050	18.8433	19.0483	19.1200
Apr 09	14.5500	15.7917	17.5833	18.0000	18.0833	18.3333	18.7917

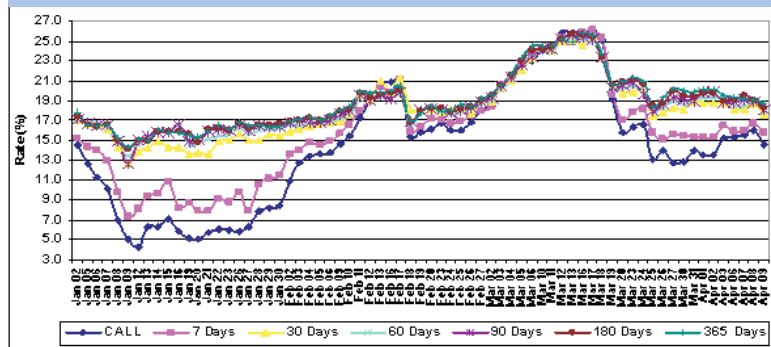
Source: FDHL

Chart 5: NIBOR Rates - 1 Week Trend



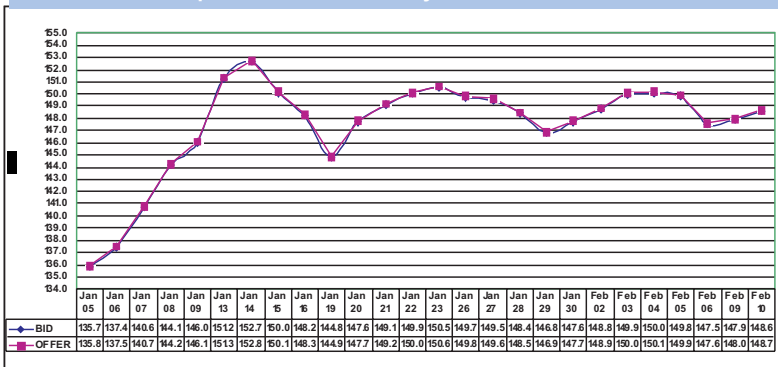
Source: FDHL

Chart 6: NIBOR Rates - Trend Analysis



Source: FDHL

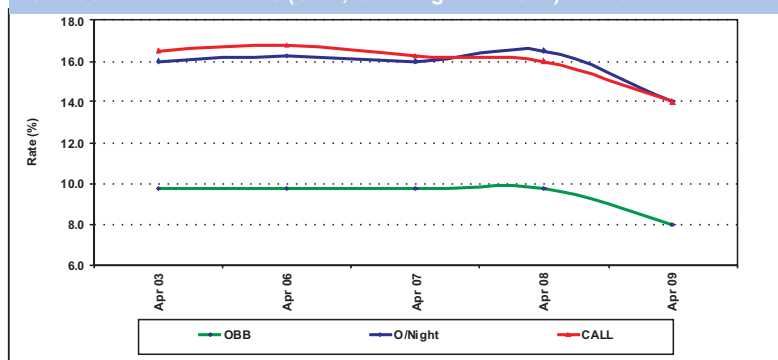
Chart 7: NIFEX Spot Rates - Trend Analysis



Source: Money Market Association of Nigeria

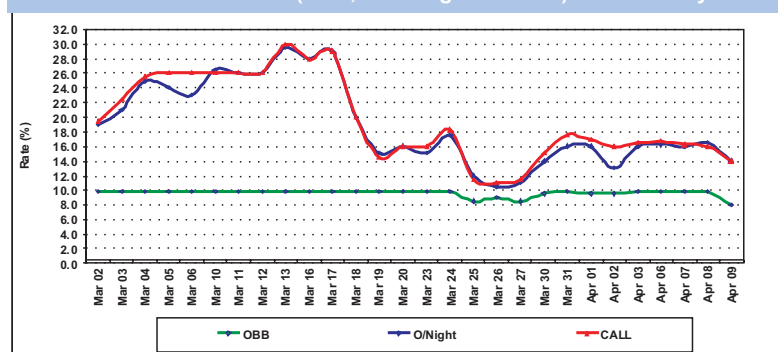
Inter bank Rates

Chart 8: Inter-bank Rates (OBB, Over-Night and Call) - 1 Week Trend



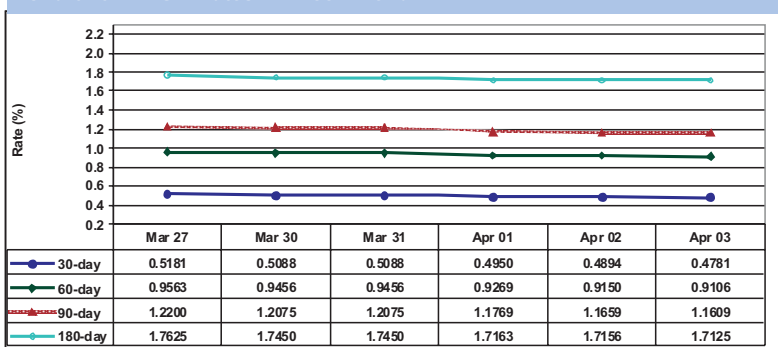
Source: FDHL

Chart 9: Inter-bank Rates (OBB, Over-Night and Call) - Trend Analysis



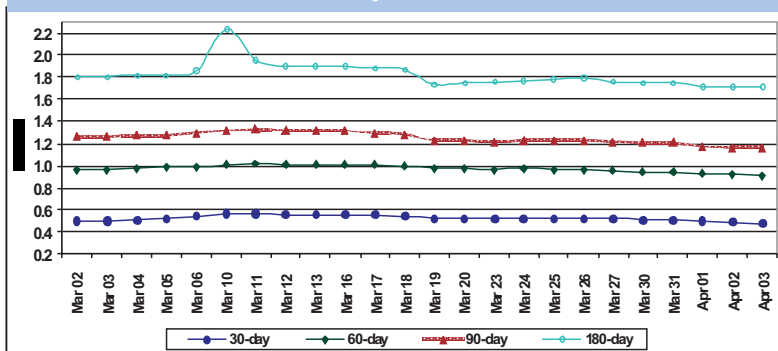
Source: FDHL

Chart 10: LIBOR Rates - 1 Week Trend



Source: Money Market Association of Nigeria

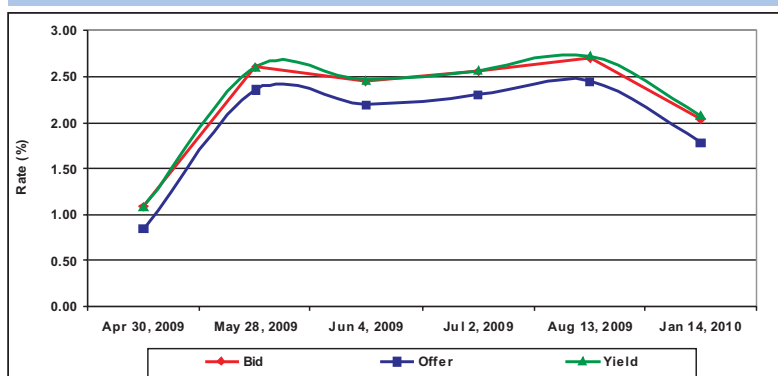
Chart 11: LIBOR Rates Trend Analysis



Source: Money Market Association of Nigeria

Treasury Bills

Chart 12: Treasury Bills - Mark to Market Rates and Yield



Source: Money Market Association of Nigeria

Maturing Bills

Table 3: Open Market Operations (OMO)

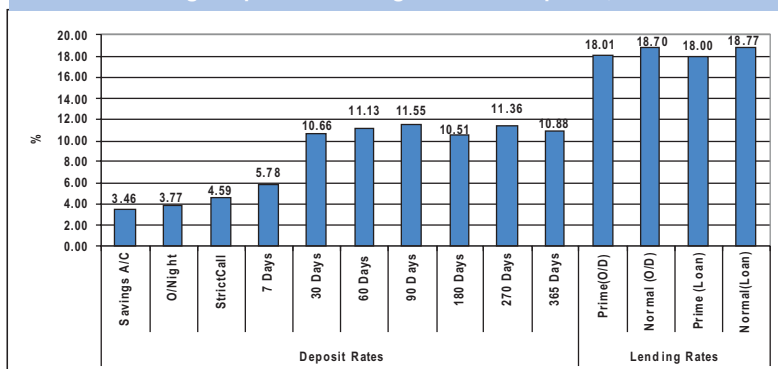
Tenor	Amount (N'm)	Rate (%)	Date
91 Day	15,000.00	9.00	16-April-2009
182 Day	10,000.00	8.50	16-April-2009

Source: Money Market Association of Nigeria

Average Deposit and Lending Rates

Interest rates across all tenors continued to be stable following compliance by banks with the CBN's directive of 15% and 22% peg of deposit and lending rates, respectively. We expect this stability to remain in the current week.

Chart 13: Average Deposit & Lending Rates as at April 09, 2009



Source: Money Market Association of Nigeria

Foreign Exchange Market

The value of the Naira against the US Dollar appreciated by N1.77k at the BDC segment of the market but depreciated by N0.10k and N3.50k at the official and parallel markets, respectively. The depreciation at the official market was due to increased demand at the daily RDAS as the market was closed for the festive period. Given that FX demand will increase because there will only be four RDAS sessions this week, and likely pressure on the BDC segment from families who will be travelling out of the country after the break, we expect naira to depreciate this week.

Table 5: Exchange Rates (N/\$)

Market	April 03	April 09	1 Month Ago
Official	145.75	145.80	146.28
BDC	151.97	150.20	148.50
Parallel	173.50	177.00	184.00

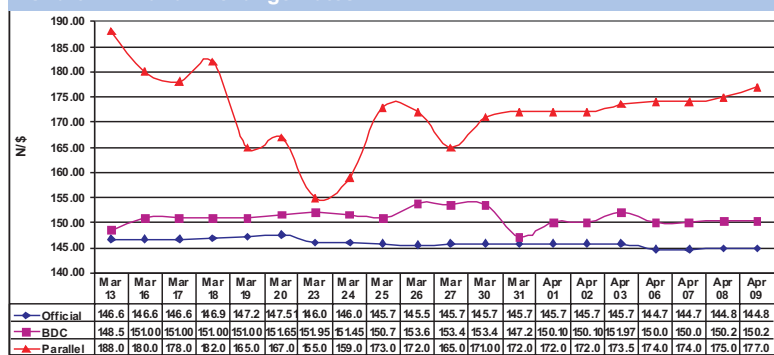
Source: CBN & FDHL

Table 6: Exchange Rates against Major Currencies Official Market

Date	N/\$	N/£	N/€
Apr 03	145.7500	215.0386	195.7334
Apr 06	144.7000	214.8929	194.8009
Apr 07	144.7000	213.7710	193.3876
Apr 08	144.8000	214.3697	192.8497

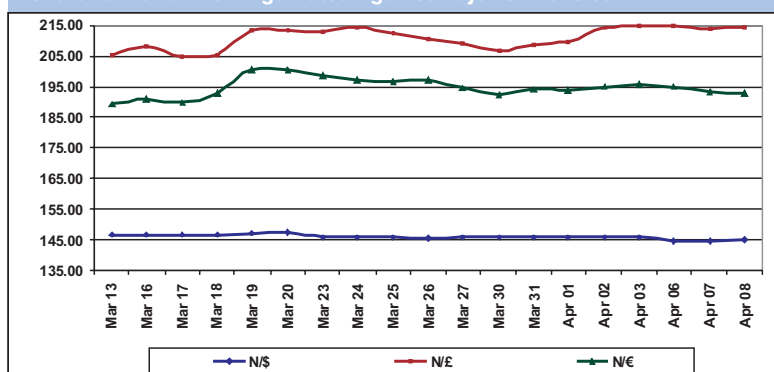
Source: CBN

Chart 14: Naira Exchange Rates



Source: CBN

Chart 15: Naira Exchange Rates Against Major Currencies



Source: CBN

APRIL 14, 2009

Business Update

Access Bank Plc has adopted the International Financial Reporting Standards (IFRS) in the preparation of its financial statements. IFRS is a standard of financial reporting and disclosure which promotes transparency and enhances the reliability of a financial statement. The adoption of IFRS by the Bank will ensure that its financials will be comparable to all other global Institutions and therefore provide an objective basis for making investment and economic decisions to a more diverse base of investors. In addition to adopting the IFRS, Access Bank will continue to prepare accounts in line with the Nigerian General Accepted Accounting Practices (GAAP).

AG Leventis Group has commissioned its food factory built at the cost of N2.5 billion in Ibafo Industrial Estate, Ogun State. The factory has capacity to produce 100 million units of croissant with chocolate, strawberry and vanilla fillings per annum.

Air France-KLM Group, Europe's biggest airline, has unveiled plans to increase its flight services from Nigeria to 27 departures each week, up from 24, to boost its revenue. About 5.6 million passengers were transported in March for its entire operations, representing a 9.8% decline in volume. The fall in demand was attributed to the downturn in the global economy.

A consortium of telecoms operators has signed a memorandum of understanding to build an undersea fibre optic cable infrastructure which would run from West Africa through to Europe at a cost of \$600 million. The group includes Angola Telecom, Broadband Infracore, Cable & Wireless, MTN, Portugal Telecom, Sotelco, Tata, Telecom Namibia, Telkom, Togo Telecom and Vodacom. The 14,000-kilometre cable system would be supplied by Alcatel-Lucent Submarine Networks and is expected to be completed by 2011. The cable would supplement the current SAT3, reduce bandwidth costs and ensure faster connectivity.

Tantilizers Plc has reported profit after tax (PAT) of N305.4 million for its 2008 FY operations, representing a 29.7% increase over N235.5 million profits recorded in the corresponding period of 2007. Turnover also grew by 21.6% from N3.7 billion to N4.5 billion. Meanwhile, the Board of Directors has recommended a final dividend of N0.06 kobo per share for shareholders in its books as at April 6, 2009.

Nigerian Aviation Handling Company Plc (NAHCO) has reported profit after tax (PAT) of N802.9 million for its 2008 FY operations, representing a 36.1% increase over N589.9 million profit recorded in the corresponding period of 2007. Turnover also grew by 18.9% from N3.7 billion to N4.4 billion. The Board of Directors has recommended a dividend payment of N0.55 kobo per share for shareholders in its books as at April 20, 2009.

FTN Cocoa Processing Plc has reported profit after tax (PAT) of N196.0 million for its 2008 FY operations, representing a 37.3% increase over N142.8 profit recorded in the corresponding period of 2007. Turnover also grew by 127.4% from N483.8 million to N1.1 billion.

ING Groep NV, the biggest Dutch bank and insurance group, has disclosed plans to realign its businesses to boost capital, as well as reduce risk. Insurance would be streamlined to only life and retirement services. ING expects to sell about 15 business units and raise €8 billion (\$10.6 billion). Recall that ING posted a Q4 2008 loss of €3.7 billion and received a €10 billion Dutch Government's bailout package in October 2008.

Royal Bank of Scotland (RBS) has disclosed plans to cut 5% (9,000) of its global staff within a 2-year period. About 4,500 cuts would be from its operations in the UK. The cuts would be mainly in back office functions, including IT, procurement, security, fraud and human resources units. RBS targets £2.5 billion (\$3.7 billion) savings from job cuts and plans to pay-off government aid and return the bank to shareholders' control. UK Government currently owns about 70.3% stake in RBS, following the bank's acceptance of a bailout package in 2008.

Access Bank Adopts New Reporting Standards***Leventis Commissions N2.5 billion Food Factory******Air France-KLM to Increase Flight Services******Telecoms Consortium Signs MOU on Laying African Undersea Cable******Tantilizers Grows Profit by 29.7%******NAHCO's Profit Grows by 36.1%******FTN Cocoa Grows Profit by 37.3%******ING Re-Strategize Operations******RBS to Cut 9,000 Jobs***

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Regional Developments

Trade Deficit Rises by 20.8%

A recent report by Bank of Tanzania shows that the country's current account deficit grew by 20.8% to \$2.9 billion in the 12 months to February 2009, up from \$2.4 billion deficit recorded in the corresponding period of 2008. The apex bank attributed the deteriorating current account balance to higher imports of capital goods for construction, communication and manufacturing. Imports rose by 24% to \$8.0 billion, while exports rose by 23.5 to \$5.1 billion.

Government to Receive \$690 Million in Aids

Tanzania's Government has disclosed that \$690 million is expected from various donors in 2009. Of the sum, \$220 million is expected from the World Bank to help ameliorate the effects of the global economic slowdown, while \$470 million is due from the European Union. President Jakaya Kikwete stated that financing fertiliser subsidies, poverty reduction, the Agricultural Sector Development Programme, as well as the mining sector would be given priority.

De Beers Shut Down Operations

De Beers, the world's top diamond producer, has stopped exploration activities in the country due to increasing financial constraints from the on-going global economic downturn. The decision was based on assessment of its ground-holdings, including 14 recently discovered mines; found that they contained no economically viable deposits. Consequently, De Beers has decided to halt further exploration in the country. BHP Billiton has earlier abandoned its diamond exploration activities in the country.

GDP Growth to Slowdown in 2009

Bank of Uganda has projected that the country's 2008-09 economic growth would likely slow to 6.25%, down from 8.9% growth recorded in the 2007-2008 fiscal year. The forecast was based on increasing decline in revenues from mining, remittances, foreign direct investment, as well as foreign aid inflows due to the on-going global economic crisis. Uganda's current fiscal year which commenced in June 2008, would end in July 2009.

World Bank Approves \$333 Million Loan for 2 Projects

Kenyan Government has been offered loans worth \$333 million by the World Bank to finance 2 projects in the country. \$253 million was approved to help the country rehabilitate/upgrade the road links to its neighbouring landlocked countries, including Uganda, Rwanda, Burundi, DR Congo and Sudan. The balance of \$80 million would be used to boost the energy sector. The facility was approved under the Bank's International Development Association (IDA), with a 40-year maturity period (including a 10-year grace period.)

Inflation Rate Falls to 8.5% in March 2009

A recent report by Central Statistics Office shows that the country's inflation rate declined from 8.8% in February 2009 to 8.5% in March, due to fall in cost of communication and miscellaneous goods & services. Mauritius' central bank expects annual inflation to decline to 4.0% by end-2009, after peaking at 9.9% in November 2008. Meanwhile, Government has revised its 2009 GDP growth projection from 4.0% to 2.7% due to effects of on-going global economic crisis which have continued to weigh down revenue from tourism. Tourist arrivals fell by 13.8% year-on-year in February.

Tanzania

DR Congo

Uganda

Kenya

Mauritius

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World Economy

Trade Deficit Declines by 28.2%

Data from the Commerce Department shows that US trade deficit declined to \$26.0 billion in February 2009, marking a 28.2% improvement over \$36.2 billion deficit recorded in January. The value of imports fell by 5.1% from \$160.9 billion to \$152.7 billion, while value of exports rose by 1.7% from \$124.7 billion to \$126.8 billion during the period.

BOE Left Benchmark Rate Unchanged, Manufacturing Shrinks Further

Bank of England (BOE) held its key interest rate unchanged at 0.5% during its Monetary Policy Committee meeting of April 9. With rates already at low levels, the UK's Government plans to continue with its £75 billion quantitative easing program to boost bank lending and stimulate the economy. A recent report by the National Institute of Economic and Social Research shows that the UK's GDP shrank by 1.5% in Q1 2009, following a contraction of 1.6% in Q4 2008. Also, an Office for National Statistics report shows that UK's industrial production declined by 6.5% in February 2009, representing the lowest level since 1968.

Industrial Production Declines by 1.2%

Data from India's Statistics Agency show that country's industrial production in February 2009 declined by 1.2% year-on-year, representing the biggest fall in 14 years. The drop followed a revised marginal growth of 0.4% in January. The dwindling output has heightened speculation that the central bank may cut its benchmark rate at a meeting scheduled for April 21, 2009. The Reserve Bank of India has cut benchmark rate 5 times since mid-October 2008, including a 100 basis points cut in January 2009 to 12.75%.

Government Unveiled \$154 billion Stimulus Plan

Japan's Government has unveiled a \$154 billion stimulus plan to bolster the economy following increasing effects of the global economic crisis. Government plans to increase long-term lending to companies, in addition to supporting small firms and promoting green technologies. In end-October 2008, Japan unveiled stimulus package worth 5 trillion yen (\$51 billion), following \$18 billion package earlier provided in August 2008. Meanwhile, Japan's corporate bankruptcies rose by 14.1% (y-o-y) to 1,537 cases in March, marking a 6-year high.

PMI Shrinks Further

Russia's purchasing managers' index (PMI an indicator of manufacturing sector performance) rose from 40.6 in February 2009 to 42.0 in March. Despite the rise in PMI, but it is still below the 50.0 benchmark which separates growth from contraction. The index has shrunk in 8 consecutive months.

Trade Surplus Rose by 287.5% in March

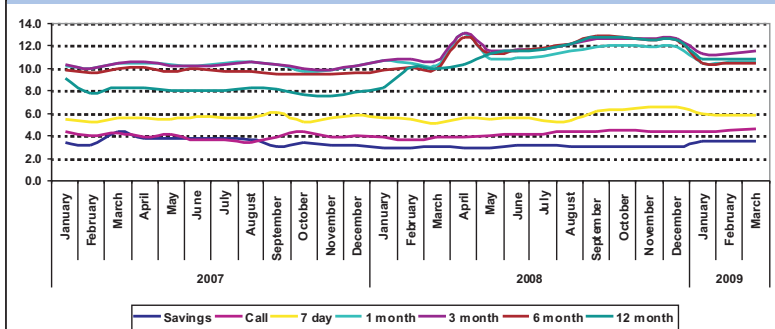
Recent data from the General Administration of Customs show that China's foreign trade surplus rose by 287.5% from \$4.8 billion surplus in February to \$18.6 billion in March 2009. The improvement was due to sharp contraction in imports to \$71.7 billion (25.7%), while exports declined by 17.0% on a year-on-year basis to \$90.3 billion.

Inflation Rate Falls to 5.61%

A recent report by Brazilian Institute of Geography and Statistics shows that inflation rate declined from 5.90% in February 2009 to 5.61% in March due to fall in cost of energy. Crude oil price, which soared to 147.27% in July 2008, has since fallen by over 70% at the international market. The declining inflation rate gives the central bank room to cut benchmark rate to stimulate the economy. Brazil's economy shrank by 3.6% in the Q4 2008.

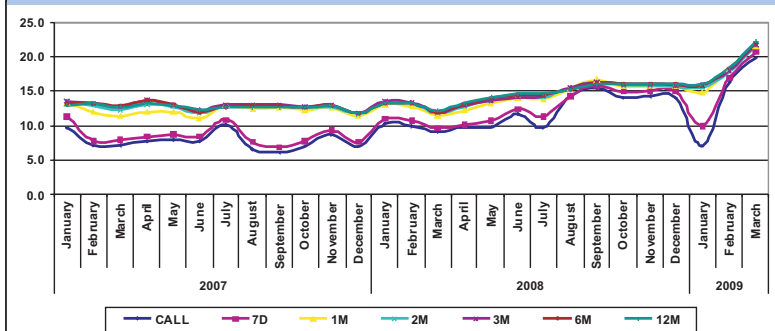
*United States**United Kingdom**India**Japan**Russia**China**Brazil*

Chart 16: Average Deposit Rates - Trend Analysis



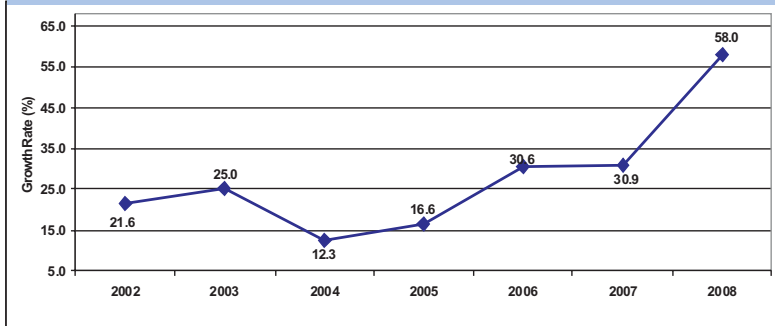
Source: FDHL & Money Market Association of Nigeria

Chart 17: NIBOR Rates - Trend Analysis



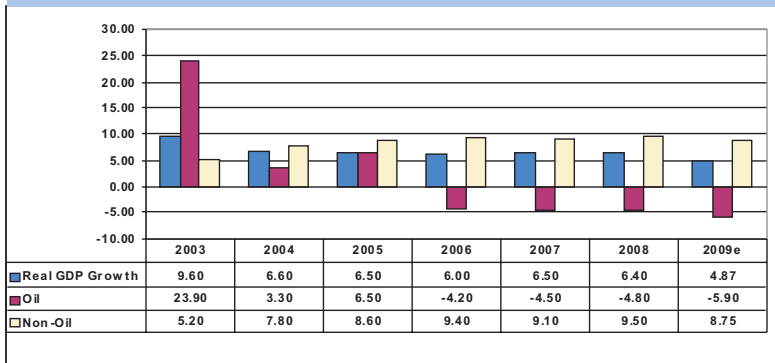
Source: CBN, FDHL & Money Market Association of Nigeria

Chart 18: Broad Money (M2)



Source: CBN

Chart 19: Real GDP Growth Rates



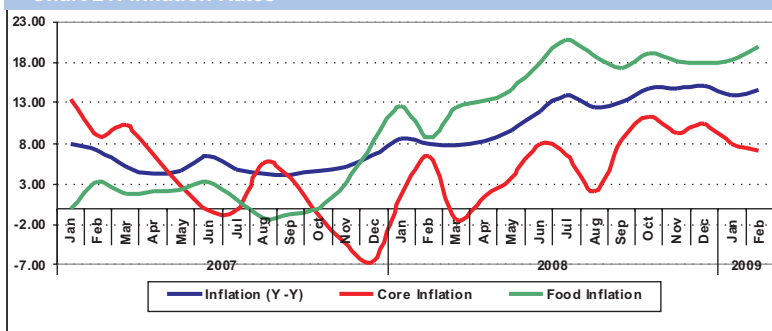
Source: CBN

Chart 20: Bonny Light (Crude Oil) Prices



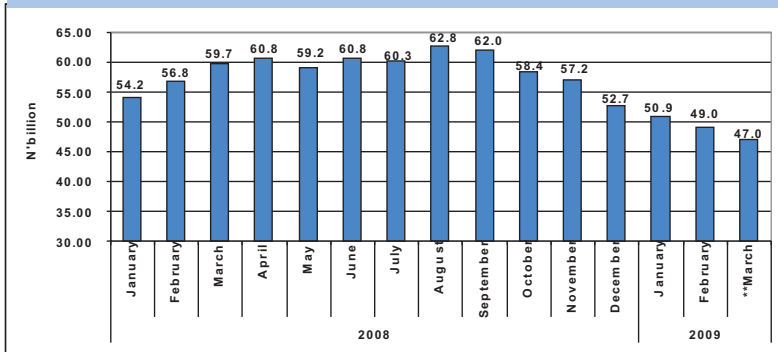
Source: Energy Information Administration (EIA)

Chart 21: Inflation Rates



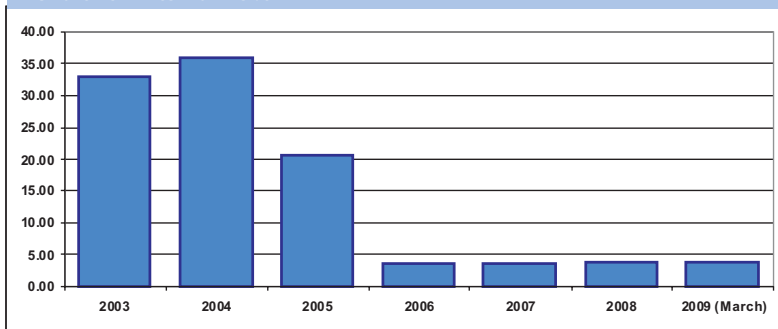
Source: CBN

Chart 22: External Reserves



Source: CBN

Chart 23: External Debt



Source: CBN

APRIL 14, 2009

Nigeria Economic Indicators

Buzz word...

Deficit Financing

In economics, deficit financing refers to the practice of government spending more money than is received as revenue, the difference being made up by borrowing or printing new money. The term usually refers to a conscious attempt to stimulate the economy by lowering tax rates or increasing government expenditures, thus increasing consumer purchases and creating jobs.

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