**Global Economy**

In the United States, gross domestic product (GDP) advanced 1.5% quarter-on-quarter in the fourth quarter of 2016 compared to 1.1% growth recorded in the previous quarter. According to the Bureau of Economic Analysis (BEA), personal consumption expenditure and fixed investment contributed 2.0% and 0.5% to the GDP growth respectively. Gains from net exports of 4% while imports rose by 8.1%. Therefore, the impact resulted in trading deficit of $1.7 billion, which is the biggest drop since the first quarter of 2015. Government spending and investment contributed 0.65% to growth. For the whole of 2016, private investment dropped for the first time since 2009, while public spending and investment increased by 0.8%. Exports contracted by 1.5%, GDP expanded 1.6% in year 2016, the lowest growth in 6 years since 2010. In South Africa, GDP’s advanced by 7% year-on-year in the first quarter of 2016 compared to 7.1% growth in the previous quarter. According to India’s Central Statistics Office, the growth was boosted mainly by an increase in public spending and agriculture. Private spending declined 0.5% compared to 0.1% in the previous quarter. Government spending rose about 19.5% compared to 15% in the third quarter. Exports and imports rose by 5.4% and 4.5% from a decline of 0.9% and 7% respectively in the previous quarter. In developed economies, Brent crude oil trade surplus of $4.56 billion in February, an increase over January compared to the $5.50 billion trade surplus recorded in the same period of the previous year. Regarding to the trade ministry data, exports increased by 15.9% year-on-year to $15.47 billion compared to a rise of 31.6% in January. Imports climbed up 5.9% year-on-year to $11.51 billion, lower than the jump of 16% in January. In 2016, a surplus of $47.65 billion was recorded compared to $19.61 billion in 2015.

**Foreign Exchange Market**

The Naira appreciated by 0.08% at the interbank segment to a rate of N35.25/37 last week. Meanwhile, at the parallel market, the local unit fell to N465.85/88 the previous week. The devaluation witnessed at the unofficial market can be attributed to uncertainties over the key economic data released by the CBN to sustain its weekly index of the greenback to the foreign exchange market. This week, following the Central Bank’s decision to take a higher back and reduce selling demand for foreign exchange, and petroleum products, the Naira may likely appreciate slightly.

**Bond Market**

Bonds resulted in the average fall of prices rose across most maturities last week. The increase in bond yields was most pronounced for medium term instruments as activity was restricted to a one day tradings week. Yields on the 5-year benchmark bond rose by 0.22% to 16.81% respectively the previous week. The 7-year benchmark bond was respectively the previous week. This week, we see market indicators of bond and credit spreads rose about N310 billion from maturing T-bills. This week, we see market indicators of bond and credit spreads rose about N377 billion which exceeded inflows of about N350 billion from maturing T-bills. This week, interbank lending rates may likely trend upwards on the anticipated dollar intervention by the CBN and planned OMO sales.

**Commodities Market**

The IMF forecasted a decline in the price of oil with Brent crude oil prices fell after comments from US Federal Reserve officials that interest rate hike in March. Gold slipped 2.5% to $1,228.94 an ounce, Silver ended at $17.75 an ounce, and copper fell 0.17% to $2.82 a pound in February. In addition, Nigeria’s crude benchmark, closed at $54.4 a barrel in February. According to India’s Central Statistics Office, the growth was boosted mainly by an increase in public spending and agriculture. Private spending declined 0.5% compared to 0.1% in the previous quarter. Government spending rose about 19.5% compared to 15% in the third quarter. Exports and imports rose by 5.4% and 4.5% from a decline of 0.9% and 7% respectively in the previous quarter. In developed economies, Brent crude oil trade surplus of $4.56 billion in February, an increase over January compared to the $5.50 billion trade surplus recorded in the same period of the previous year. Regarding to the trade ministry data, exports increased by 15.9% year-on-year to $15.47 billion compared to a rise of 31.6% in January. Imports climbed up 5.9% year-on-year to $11.51 billion, lower than the jump of 16% in January. In 2016, a surplus of $47.65 billion was recorded compared to $19.61 billion in 2015.

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