Global Economy

In the US, Manufacturing PMI came in at 59.8 in May of 2020 above a record low of 36.1 in April attributed mainly to Markit. The new orders fell to the second-steepest deterioration in memory, leading to operating conditions since April of 2009, largely determined by a further weakening of client demand and lower new order inflows from both domestic and foreign customers amidst the coronavirus outbreak. The fall in output was ascribed to lower sales, temporary shut-downs and difficulties operating at full capacity amid new safety regulations; new business fell for the third month running due to the cancellation and postponement of orders; and firms cut their workforces numbers at the second-fastest rate in over 3 years as output volumes fell at the same pace as the record fall. Elsewhere, the bank of England reported that consumer credit in the United Kingdom plunged by £7.4 billion in April 2020, following a £3.8 billion decrease in March. That was the largest decline in consumer credit since the series began in 1993, amid the impact of the coronavirus pandemic on spending. Credit card lending fell by £3 billion and other loans and advances went down by £2.4 billion. The extremely weak net flows of consumer credit meant that the annual growth rate fell below zero in April, to -0.4 percent, the weakest since August 2012. In a separate development, Markit said on April 14th that the recently released Bank of England survey of small and medium-sized enterprises (SMEs) indicated credit rating to ‘Baa3 to ‘Ba1 and kept a balanced outlook for the coming year. The report discussed the challenges in implementing policies to mitigate the risks of a sustained period of low growth and its evolving fiscal position. The agency noted that the slow pace of reform and limited political effectiveness have contributed to a prolonged period of slow growth which started before the pandemic and which Moody’s expects to continue well beyond. The real GDP is expected to contract 4.0% in fiscal 2020 due to the shock from the coronavirus pandemic and related lockdown measures, followed by 5.7% growth in fiscal 2021 and closer to 6.0% thereafter.

Domestic Economy

The total value of capital importation into Nigeria stood at $5.68 billion in Q1 2020 according to data from the National Bureau of Statistics (NBS). This represents an increase of 18.1% compared to Q4 2019's $4.89 billion 19% decrease compared to the Q1 2019. The largest amount of capital importation by type was received through portfolio investments which accounted for 73.61% ($4.3 billion) of total capital importation, followed by Other Investment, which accounted for 26.73% ($1.13 billion) of total capital import. While foreign capital investment in Nigeria in Q1 2020, Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020. Lagos state emerged as the top destination of capital investment in Nigeria in 2020 with $2.9 billion. This amount accounted for 49.68% of the total capital inflow in Q1 2020.