

Macro-Economic Highlight Report for April 2019



Inflation rate drops to 11.25 % in March 2019: The National Bureau of Statistics has reported a drop of 0.06% from the previous month's inflation rate to 11.25%. The report also stated that urban inflation rate increased by 11.54% in March 2019 from 11.59% recorded in February 2019, while the rural inflation rate increased by 10.99% in March 2019 from 11.05% in February 2019.

Nigeria earns \$600mn annually from leather exports: Nigeria is tanning and exporting between 40mn to 50mn skins annually, while the sector is employing about 1mn direct and indirect workers. The value of hides and skin exported to China in 2017 stood at between \$6mn and \$8.5mn.

Nigeria recorded \$5bn foreign investment inflows post general elections: The Nigerian economy has recorded about \$5bn foreign investment inflows post-general elections in February/March 2019. The development was a demonstration of foreign investors' confidence in the Nigerian economy on its monetary policy outlook and its efforts to reduce the import bill.

Nigeria spends ₦10trn on petrol subsidy: The Federal Government has spent ₦10trn in the provision of pump price subsidy on imported petroleum products from 2006 to 2018. A report by BudgIT stated oil price shocks in the international energy market as well as the exchange volatility was a major contributor to the increased figures.

NAICOM projects 400% growth for agric insurance: The National Insurance Commission has projected a 400% growth for agricultural insurance in the next two years; despite only about 75,000 farmers covered by any form of insurance.

Nigeria's instant electronic payment hits 1.34mn: NIP, which is an online real-time product that facilitates instant digital payment has been adjudged the most preferred platform for electronic payment having grossed more transactions in monetary terms than Point of Sales and e-Bills Payment over the years.



Updated Key Macro-Economic Indices

Inflation (Mar 2019)	↓	11.25%
Unemployment Rate (Q3 2018)	↑	23.1%
Underemployment Rate (Q3 2018)	=	21.2%
Youth Unemployment (Q2 2018)	↓	29.72%
PMI (Apr 2019)	↑	57.7%



Key Macro-Economic Highlights

↑ Highs

- 1) Bankers Committee unveils ₦200bn fund for 5 cash crops
- 2) Access Bank finances health sector MSMEs with ₦1bn
- 3) Banks' secured credit to household rose in Q1
- 4) AfDB approves \$15mn infrastructure credit for Nigeria
- 5) AfDB approves \$70m loan for Ebonyi State
- 6) FG issues 2,400 Cs-of-O, 1,417 land transaction consents
- 7) Ease of Doing Business: FG implements 140 reforms in 3 years
- 8) Nigeria records \$35bn autonomous inflows in 2 years.
- 9) Lagos State contributes 70% of Nigeria's ₦5.2trn tax revenue
- 10) NNPC reduces joint venture indebtedness to \$3.5bn
- 11) Electricity: FG starts project to transmit additional 624MW
- 12) World Bank loan portfolio in Nigeria now \$8.67bn
- 13) Customs to generate ₦937.28bn from import duty, others in 2019
- 14) FG spends ₦300bn on social investment programme

↓ Lows

- 1) Nigeria, seven other countries face acute hunger — UN
- 2) World Bank lowers forecast for Nigeria's economic growth to 2.1%
- 3) Entertainment, media projected to drive Nigeria ad growth by 12.1%
- 4) Nigeria's debt hits ₦24.39trn, rises by ₦2.66trn in one year
- 5) Over 20mn bags of rice smuggled into Nigeria in 3 months.
- 6) Nigeria spends ₦16bn annually on beans importation
- 7) Infrastructure gap: Nigeria needs to invest \$100bn per annum for six years — BPE
- 8) IMF ranks Nigeria 2nd worst on use of Sovereign Wealth
- 9) Nigeria imports \$600m pottery products annually
- 10) PMS imports rise 21.7% in Q4'18
- 11) Petrol landing cost now ₦180 per litre.
- 12) Nigeria's oil exports plunge as Shell, Total declare force majeure
- 13) Power generation slumps to 1,675MW after system collapse



Consumer Insights and Forecasts

- 1) 17.2mn passengers travelled through Nigeria's airports in 2018
- 2) Paga records ₦1.2trn mobile money transactions in 10yrs
- 3) Samsung Electronics flags 60% slump in Q1 operating profit
- 4) Google offers Android users choices to satisfy EU.
- 5) UPS Foundation leads launch of \$3mn vaccine drone network



MSME Corner

- 1) 35,000 Nigerians to benefit from German's €19mn skills programme.
- 2) CBN to establish collateral management regime.
- 3) Assets worth ₦1.26trn registered on National Collateral Registry
- 4) DBN disburses ₦31bn to MSMEs, gets World Bank's backing
- 5) Bank of Industry provides ₦3bn to Jaiz Bank for MSMEs
- 6) Tony Elumelu Foundation, AfDB partner to boost youth entrepreneurship.

Industry Spotlight



MSMEs

- 1) **35,000 Nigerians to benefit from German's €19mn skills programme:** The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), a German government's development programme in Nigeria, has stated that about 35,000 Nigerians will benefit from its skills acquisition programme in the construction and agriculture sector. The Skills Development for Youth Employment programme is aimed at improving income and generating employment opportunities for Nigerian young adults as shortage of jobs is seen as a major cause of migration to European and other industrialised countries.
- 2) **CBN to establish collateral management regime:** In order to encourage more innovations in the payment system, the Central Bank of Nigeria, is setting up a Collateral Management Regime to regulate the activities of Fintech firms and startups in the country.
- 3) **Assets worth ₦1.26trn registered on National Collateral Registry:** The National Collateral Registry is a databank where security interests in moveable assets are registered for the purpose of being used as collateral to obtain loans from financial institutions. According to the National Collateral Registry, a total of 65,370 moveable assets had been registered on the NCR's portal as at March 20, 2019.
- 4) **Bank of Industry provides ₦3bn to Jaiz Bank for MSMEs:** The Bank of Industry on Tuesday provided a ₦3bn financing facility to Jaiz Bank Plc for the development of the Micro, Small and Medium Enterprises sector of the economy. The fund would be given as loans to small business operators to grow their businesses and create wealth for the economy.
- 5) **Tony Elumelu Foundation and AfDB partner to boost youth entrepreneurship:** Tony Elumelu Foundation (TEF) and African Development Bank (AfDB) have sealed a partnership agreement to accelerate youth entrepreneurship across Africa.



Consumer Insights and Forecasts

- 1) **Paga records ₦1.2trn mobile money transactions in 10yrs:** Paga, a mobile money platform, has processed over 70 million transactions worth ₦1.2trn since its inception ten years ago.
- 2) **Samsung Electronics flags 60% slump in Q1 operating profit:** The world's biggest smartphone and memory chip maker Samsung Electronics warned Friday of a more than 60% plunge in first-quarter operating profits in the face of weakening markets.
- 3) **UPS Foundation leads launch of \$3mn vaccine drone network:** The UPS Foundation will provide \$3mn, including \$2.4mn in funding and will provide \$600,000 of in-kind shipping services. The organisation has already begun an analysis of Ghana's healthcare supply chain, providing expertise designed to complement the government's vision to continually optimise the delivery of healthcare products.