CSEA
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Increase in Approved Bank Loans to Private Sector

Total credit allocated by Nigerian banks to the private sector stood at N20.37 trillion as of Q4 2020[1]. This represents a 2.55 percent increase from the N19.87 trillion recorded in the preceding quarter. The sectors that benefitted most include oil and gas sector (19.3 percent) and manufacturing sector (15.7 percent). Total non-performing loans (NPLs) increased by 15.7 percent to N1.23 trillion in Q4 2020, up from N1.06 trillion in the previous quarter. Despite the rise in NPLs, there was no significant change in the proportion of NPLs as a share of gross loans. It is important that financial intermediaries continue to play their role in promoting private sector growth by providing appropriate and easily accessible credit facilities. Financial sector regulators should also keep monitoring trends in the sector to ensure a resilient financial ecosystem.

Rise in Electronic Banking Transactions

Data from the National Bureau of Statistics (NBS) indicates improved performance in total volume and value of electronic banking transactions in Q4 2020. Total volume of e-payment transactions for the period under review was 3.46 billion valued at ₦356.47 trillion[1]. This is a 24.6 percent and 11.4 percent increase in transaction volume and value respectively, relative to the previous quarter of 2020. Disaggregation by types of payment channels shows that online transfers accounted for 64.3 percent and 33.7 percent of total volume and value in the period under review. Real-time gross settlement (RTGS) accounted for just 0.04 percent of volume but 31.7 percent of value, while National Electronic Funds Transfer (NEFT) accounted for 1.4 percent of volume and 27 percent of value. Consistent growth in total digital financial transactions could signify a positive trend for the country's financial inclusion goals. It is however important that such growth ultimately translates to extending banking services to excluded segments of the population.

Appreciation in the Stock Market

The Nigerian Stock Exchange (NSE) All share Index and Market Capitalization appreciated for the first time in a month by 1.27 percent to close the week at 39,301.82 and N20.568 trillion respectively[2]. Apart from NSE Sovereign Bond Index which depreciated by 0.94 percent, and NSE ASeM Index and NSE Growth Index closing flat, all other indices finished higher. Total volume of shares traded increased from 1.26 billion shares in the preceding week to 1.6 billion shares; corresponding value of shares traded also increased from N10.759 billion to N42.142 billion. Shares in the Financial Services Industry accounted for the bulk of the trading during the week under review. As the economy continues to recover and investors' confidence returns, the expectation is that the market will record consistent improvement across all indices.

ECONOMIC SNAPSHOT		
Quarterly Indicators	'20Q3	'20Q4
GDP Growth Rate (%)	- 3.62	0.11
Oil GDP (%)	-13.98	-19.76
Non-oil GDP (%)	-2.51	1.69
Unemployment Rate (%)	NA	NA
Foreign Direct Investment (US $ Million)	414.79	251.27
Portfolio Investment (US $Millions)	407.25	35.15
Other Investment (US $Million)	639.44	783.26
External Debt (FGN & States- N'Trillion)	12.16	NA
Domestic Debt (FGN + States & FCT N'Trillion)	20.04	NA
Manufacturing Capacity utilization (%)	NA	NA
Monthly Indicators	Dec'20	Jan'21
Headline Inflation (%)	15.75	16.47
Food Sub-Index (%)	19.56	20.57
Core Sub-Index (%)	11.37	11.85
External Reserves (End Period) (US$ Billion)	35.37	36.3
Official Rate Approx. (N/US$)	379	379
BDC Rate Approx. (N/US$)	NA	NA
Manufacturing PMI	50.2	NA
Non-Manufacturing PMI	47.6	45.7
Crude Oil Price (US$/Barrel)	NA	NA
Petrol (PMS-N/litre)	165.70	164.09
Diesel (AGO -N/Litre)	224.37	224.86
Kerosene (HHK -N/Litre	352.79	350.55
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	1,949.75	1,949.02
MPR (%)	11.50	11.5
CRR (%)	27.5	27.5
91 Day T-Bill Rate (%)	NA	NA
Savings Deposit (%)	2.04	NA
Prime Lending (%)	11.35	NA
Maximum Lending (%)	28.31	NA
Narrow Money (N'Million)	15,923,942.49	NA
Broad Money (N'Million)	38,673,641.64	NA
Net Domestic Credit (N'Million)	41,636,319.09	NA
Credit to the Government (Net) (N'Million)	11,469,182.65	NA
Credit to the Private Sector (N'Million)	30,167,136.44	NA
Currency in Circulation (N'Million)	2,908,462.40	NA
FAAC (N'Billion)	160.59	NA

*Revised GDP figures/tentative figure
NA: Not Available

1. NBS (2021). Selected Banking Sector Data: Sectorial Breakdown of Credit, ePayment Channels and Staff Strength. Retrieved from, https://nigerianstat.gov.ng/download/1241018

2. NGX (2021). Stock Market Report for April 23rd 2021. Retrieved from, https://doclib.ngxgroup.com/market_data-site/other-market-information-site/Week%20Market%20Report/Weekly%20Market%20Report%20for%20the%20Week%20Ended%2023-04-2021.pdf