



SEC NIGERIA
SECURITIES AND EXCHANGE COMMISSION, NIGERIA

Review of the Nigerian Economy and the Capital Market

Hassan H. Suleiman (PhD)

Economic Research & Policy Management Division
Securities and Exchange Commission, Nigeria

August 18TH 2022



Outline

01

Global Economic Developments

02

Domestic Economy

03

Capital Market Performance

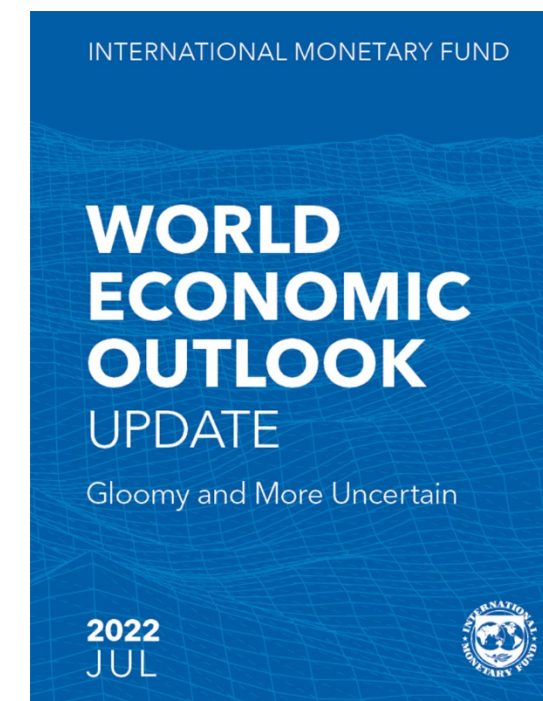
04

Outlook

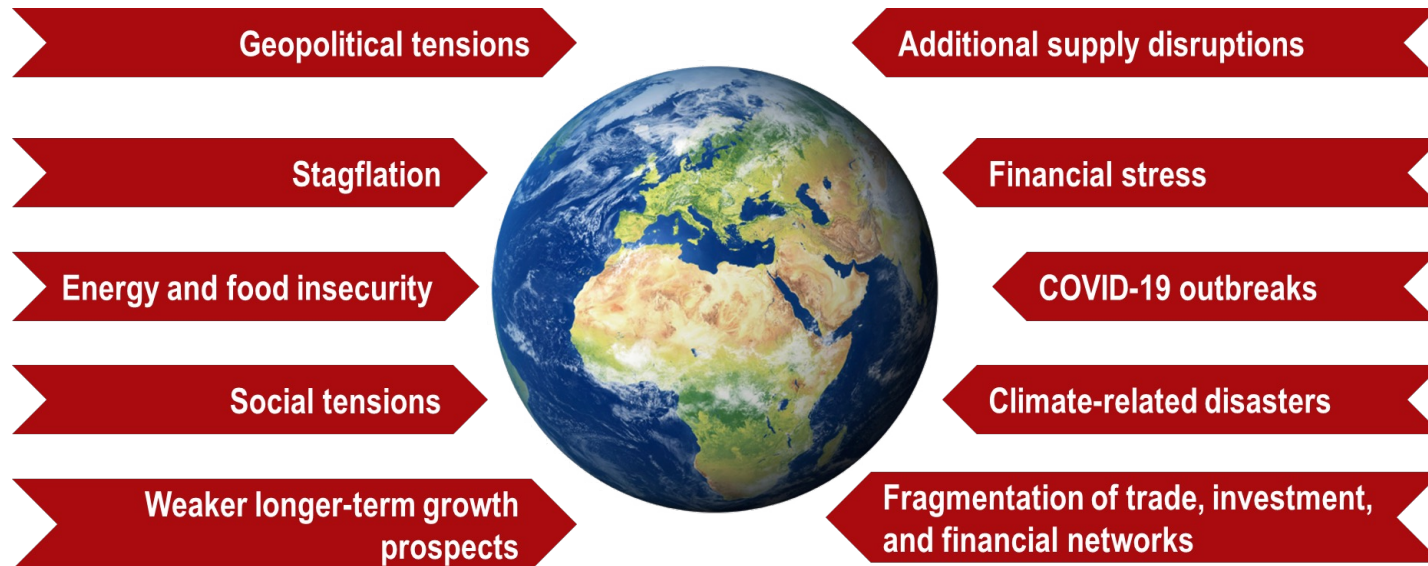
Latest World Economic Outlook Projections



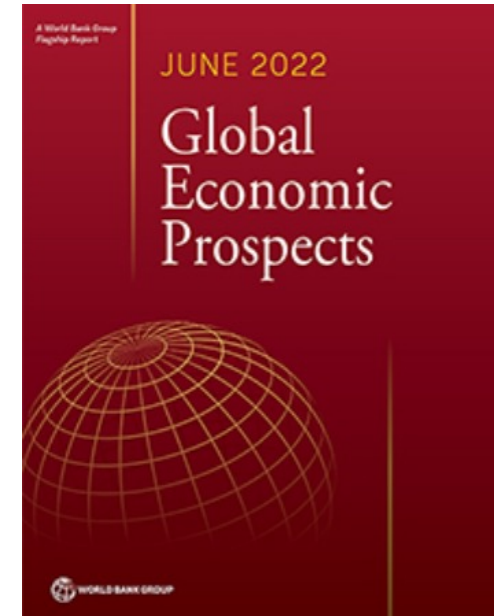
Country/Region	(real GDP, annual % change)		
	Estimate	Projections	
Country/Region	2021	2022	2023
World	6.1	3.2	2.9
Advanced Eco.	5.2	2.5	1.4
Euro Area	5.4	2.6	1.2
EMs & Developing	6.8	3.6	3.9
Sub-Sah. Africa	4.6	3.8	4.0
United States	5.0	3.9	2.5
United Kingdom	7.2	4.7	2.3
China	8.1	3.3	4.6
India	8.7	7.4	6.1
Brazil	4.6	1.7	1.1
South Africa	4.9	3.8	4.0
Nigeria	3.6	3.4	3.2



Risks Mutually Amplifying Downside Risks



Source: World Bank, *Global Economic Prospects*, June 2022.





Inflation rate continue to surge



US inflation falls to 8.5% in July but still close to multi-decade high

China's annual inflation rate rose to 2.7% in July 2022 from 2.5% in June and compared with market forecasts of 2.9%

Annual inflation rate in the Euro Area increased to a new record high of 8.9% in July of 2022 from 8.6% in June



JULY INFLATION RATES



10.1%



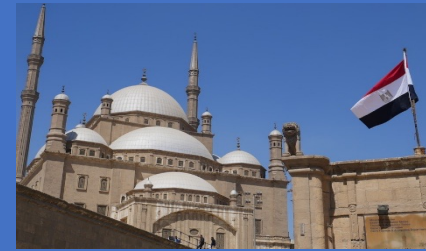
7.5%



79.6%



7.4



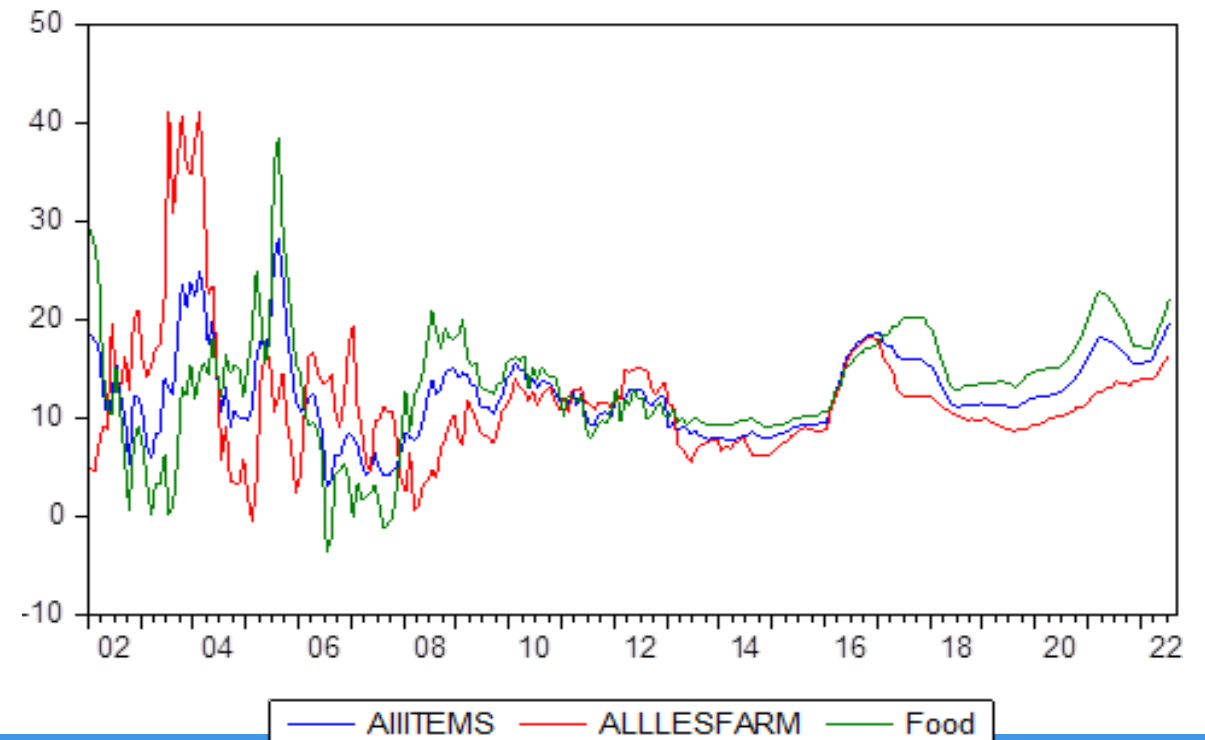
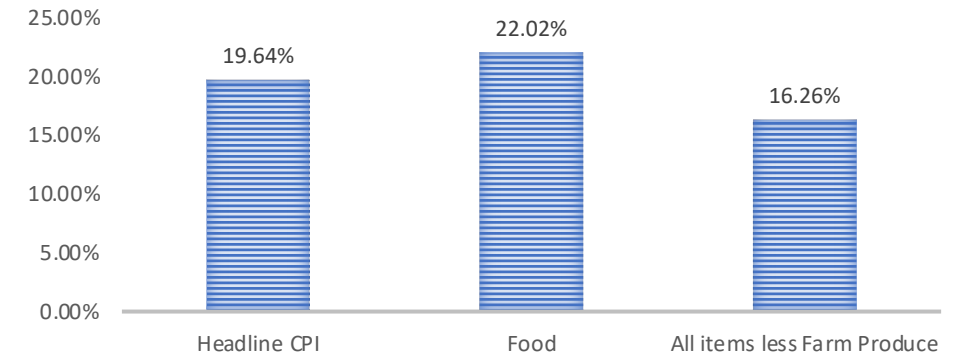
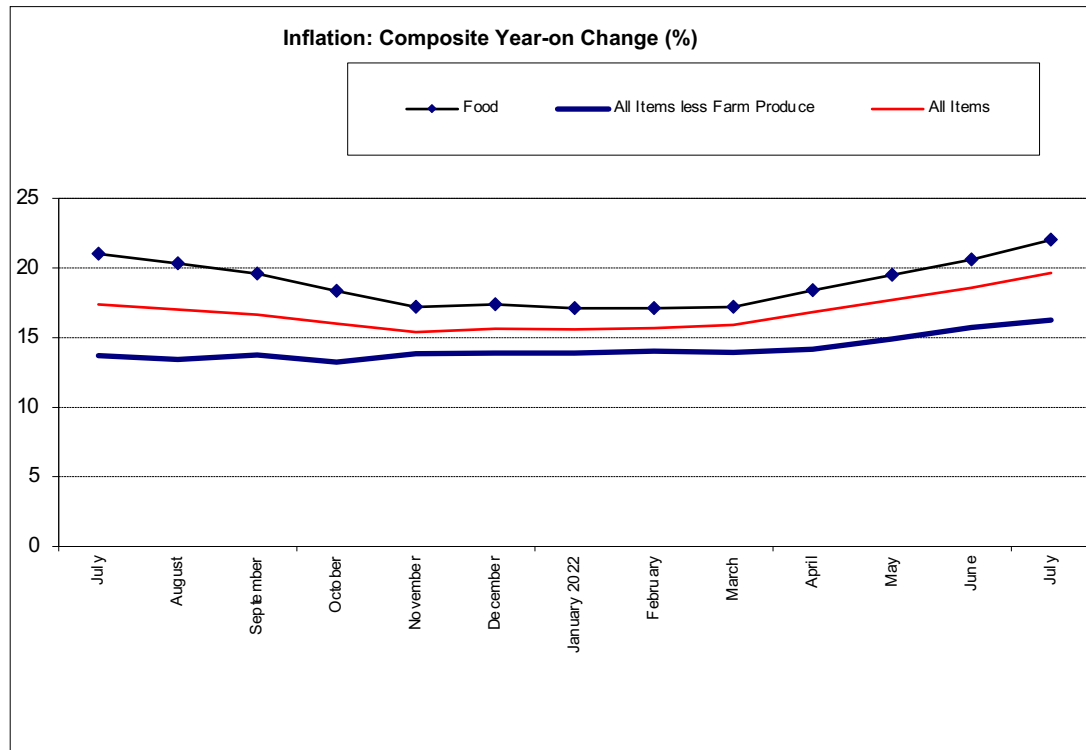
7.6



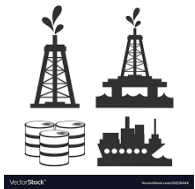
31.79%

Domestic Economy

JULY CPI



Data Source: NBS



\$98.25



N420.82

17 August, 2022



N41.6 Trillion

As at Q1 2022



Ways & Means

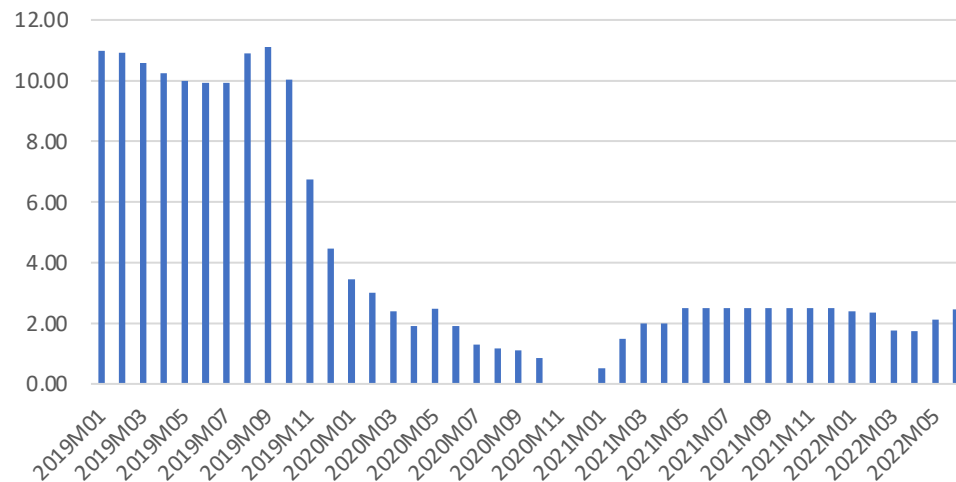
N19.9 Trillion

As at June 2022

OPEC QUOTA: 1.830 million barrels per day
Production: 1.4mbpd

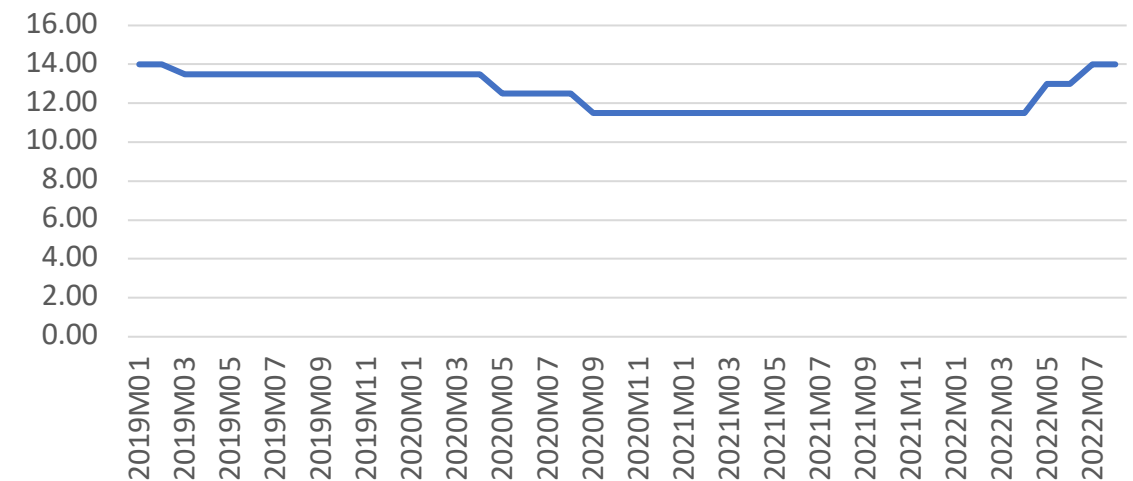
As at August 12, 2022

91 Day T-Bill Rate (%)



Data Source: NBS, IMF

MPR



Source: CBN



Domestic Economy

NIGERIA - TOP FIVE EXPORTS (2021)

By Market	% Of Total Exports	By Category	% Of Total Exports
India	16.4	Mineral fuels, mineral oils and products of their distillation	89.2
Spain	11.8	Ships, boats and floating structures	3.0
France	6.3	Fertilisers	2.0
Netherlands	6.0	Cocoa and cocoa preparations	1.3
Canada	4.5	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal	0.7

Source: Trade Map, Fitch Solutions

NIGERIA - TOP FIVE IMPORTS (2021)

By Market	% Of Total Imports	By Category	% Of Total Imports
China	24.7	Mineral fuels, mineral oils and products of their distillation	31.0
Netherlands	10.3	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	14.2
India	8.8	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	6.6
Belgium	7.3	Electrical machinery and equipment and parts thereof	5.9
United States of America	6.1	Cereals	5.3

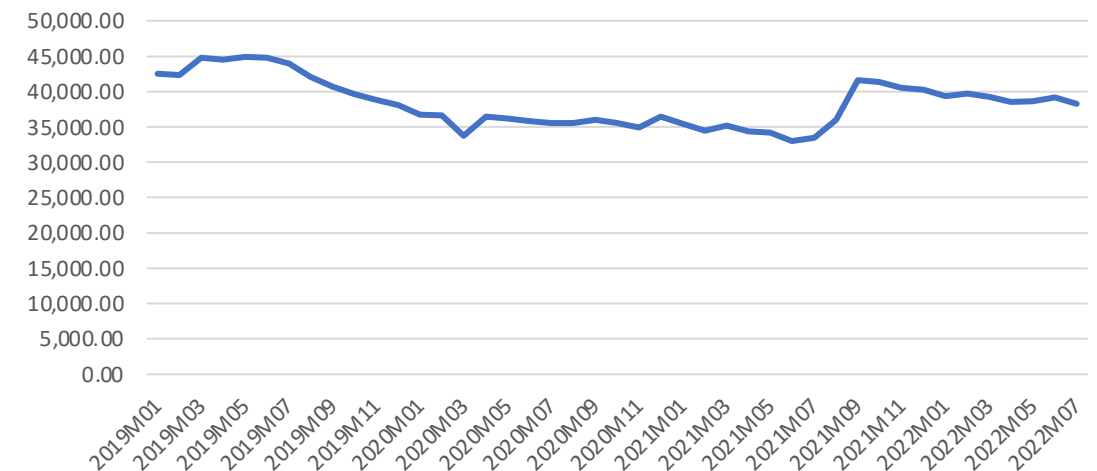
Source: Trade Map, Fitch Solutions

Brent Spot price



Data Source: NBS, IMF

Foreign Reserves Position

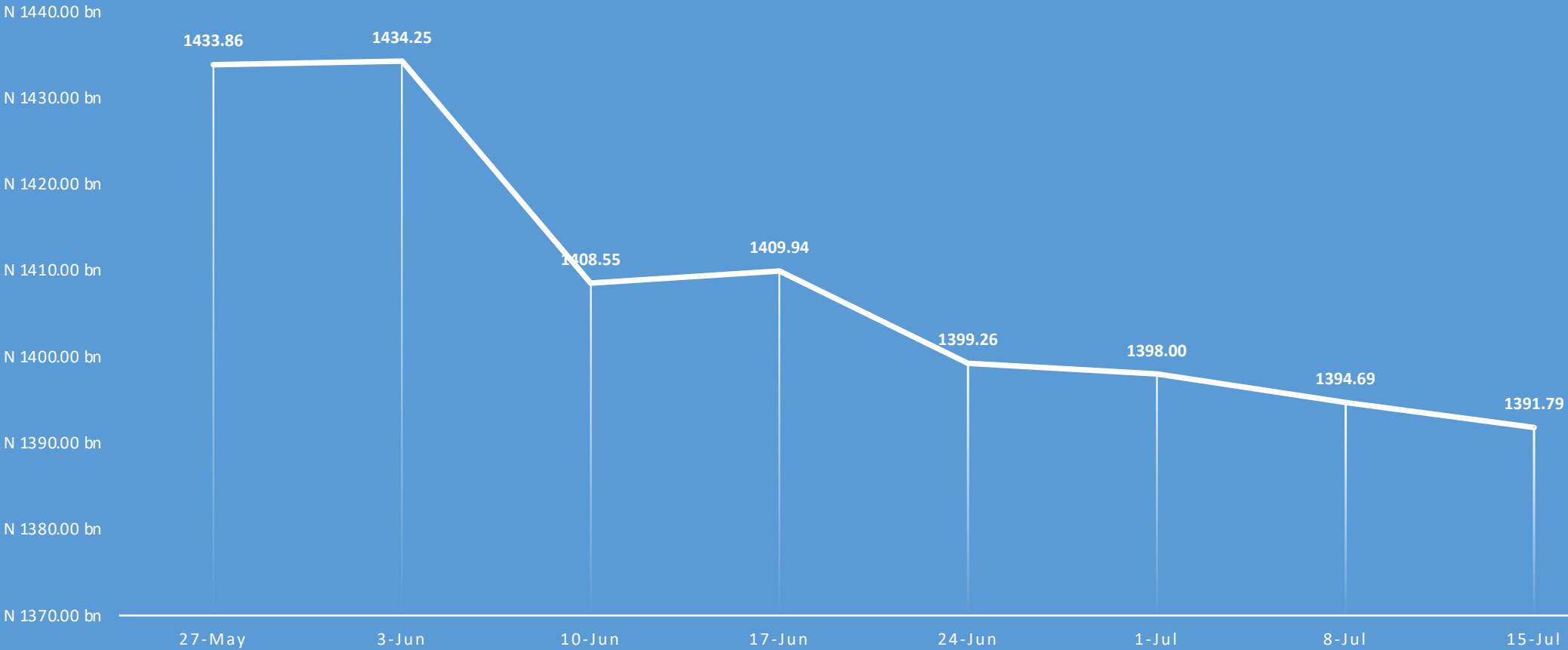


Source: CBN

Capital Market Performance

Net Asset Value

MOVEMENT IN TOTAL NAV
(EIGHT (8) WEEKS ENDING JULY 22, 2022)



Nigerian Capital Market Performance



NGX Statistics	12-August 2022	15-August 2022	Daily Change (%)	Year-Date Change (%)
NGX All-Share Index	49,664.07	49,629.43	-0.07	16.18
Mkt Cap (N'Trn)	26.79	26.77	-0.07	20.06
Total Vol. Traded (Mn)	750.29	210.84	-71.90	
Total Value (N'Bn)	5.31	2.19	-58.78	

NASD Statistics	12-August 2022	15-August 2022	Daily Change (%)	Year-Date Change (%)
Unlisted Securities Index	762.18	759.83	-0.31	2.29
Mkt Cap (N'Bn)	1,003.35	1,000.25	-0.31	59.01
Total Vol. Traded (Mn)	0.06	0.12	97.71	
Total Value (N'Mn)	7.48	23.16	209.64	

FMDQ Statistics	12-August 2022	15-August 2022	Daily Change (%)	Year-Date Change (%)
S&P FMDQ Nigeria Sovereign Bond Index	599.88	-	-0.04	5.14
Mkt Cap (N'Trn)	29.14	29.13	-0.03	11.16
NAFEX (N/\$)	427.92	-	-0.722	0.90
I&E Window (\$/N)	429.62	430.70	-0.25	-0.99

AFEX Statistics	25-July 2022	29-July 2022	Weekly Change (%)	Year-Date Change (%)
Afex Commodities Index	465.60	479.90	3.07	4.00
Afex Export Index	188.96	188.96	0.00	-2.00

Data Source: Nigerian Stock Exchange

Nigeria Current Ratings



FitchRatings	Long-Term Issuer Default Rating		Short-Term Issuer Default Rating	
	Action Affirmed 14 Mar 2022 Rating Outlook Stable	B	Action Affirmed 14 Mar 2022 -	B
MOODY'S	Moody's LT FC Issuer Rating ⓘ		Moody's LT Derived Issuer Rating	
	Action AFFIRMATION 29 Nov 2021 Outlook (entity) ["STA"]	B2	Action AFFIRMATION 29 Nov 2021 Outlook (entity) ["STA"]	B2
S&P Global	S&P LT FC Issuer Credit Rating		S&P ST FC Issuer Credit Rating	
	26 Mar 2020 Outlook Stable	B-	06 Feb 2006 -	B

Data Source: Fitch Solutions



outlook

A World in Crisis: Globally, the outlook is uncertain

Repercussions of the Russian Ukrain conflict and continued monetary tightening could affect capital market performance. However yields in the debt market will rise in H2. Concerns on FX liquidity and foreign repatriation of funds may keep foreign investors at bay.

Upcoming elections could impact investor sentiments

SEC Rules on Digital Assets presents a clear regulatory framework for Digital assets in the country



Thank You
