



WEEKLY ECONOMIC AND FINANCIAL HIGHLIGHTS

NEWSLETTER

14th-18th September, 2020.

Highlights:

- Nigeria Inflation Rate Accelerates to 13.22% In August, Highest in 28months
- OPEC cuts 2020 Oil Demand Forecast, Trims 2021 Outlook on Pandemic Fallout-CNBC
- Nigeria's Total Public Debt Stood at N31.02trn in Q2 2020
- Petrol Price/electricity tariff Hikes: TUC, NECA, ASUU Talk as FG meet Labor
- Oil Falls to \$39, Nigeria's Output Rise
- Fight Against Corruption Organization (FACO) Honors PS Debt Management Office

Global Economy:

The impact of coronavirus was further felt in the global economy, that is, with the oil sector, the group of oil producers revised the global oil demand to an average of 90.2million meaning 400,000 bpd from the previous month. In the OECD countries, oil demand is revised by 100,000 bpd due to less expected decline in the sub-region while in the non-OECD, it was revised downward to 500,000 bpd due to weaker oil demand performance in Asia and India. However, the recovery period for the aforementioned decline in demand remains uncertain. OPEC has agreed in April to an output cut to offset a slump in demand and prices caused by the coronavirus crisis.

RATE MONITOR

Inflation Rate	➔	13.22%
GDP Rate	➔	3.2%
PMI	➔	43.3%
MPR	➔	13.5%

Domestic Economy:

The impact of the decline in global demand for oil has a slight effect in oil production in Nigeria and resulted in meagre 1million increase in production to 1.3bpd in August against 1.35bpd in July while increase in crude oil production by 13 member cartel increased by 760,000 bpd to an average of 24.05million bpd in August. Nigeria crude oil benchmark fell by \$0.36 to \$39.47 per barrel while the price has fallen by 15%.

The Total Public Debt Stock which comprises the Debt Stock of the Federal Government, the 36 State Governments and the Federal Capital Territory stood at N31.009 Trillion or USD85.897 Billion. The corresponding figures for March 31, 2020 were N28.628 Trillion or USD79.303 Billion. The implication of this is that more funds will be used in servicing debt and a percentage of the funds set aside for the provision of infrastructure may be diverted to servicing debt. The breakdown shows that total external debt stood at N11.36 trillion (\$31.47 billion), accounting for 36.65% of the total debt stock, while

domestic debt represented 63.35% of the total debt. Domestic debts stood at N19.65 trillion (\$54.42 billion) as at June 2020.

The National Bureau of Statistics has said that Consumer Price Index, which measures inflation, increased to 13.22 per cent year-on-year in August 2020. The NBS made this known in its CPI and Inflation Report for August released on Tuesday.

The latest figure is 0.40 per cent points higher than the rate recorded in July 2020 (12.82 per cent).

The Fight Against Corruption Organization (FACO) honored the Permanent Secretary, Debt Management Office, Mr. Olujimi Ige FCA on Thursday 10th September 2020, for his immense contribution to the development of Lagos State Government and Leadership Skills.

Speaking at the ceremony, the Chairman of FACO, Dr Francis Shopekan said the award was based on Mr. Ige's integrity, hard work, honesty, and undeniable impact in various offices and capacity where he has served and now as Permanent Secretary.



Presentation of the Award to the PS by The Chairman of FACO



The Management Staff of DMO & FACO Representatives

**NIGERIA'S EUROBONDS AND DIASPORA BOND
CLOSING PRICES AND YIELDS
AS AT FRIDAY, SEPTEMBER 11, 2020**

Bond Name	6.75% US\$500M JAN 2021 Eurobond	5.625% US\$300M JUN 2022 Diaspora Bond	6.375% US\$500M JUL 2023 Eurobond	7.625% US\$1.118BN NOV 2025 Eurobond	6.500% US\$1.5BN NOV 2027 Eurobond	7.143% US\$1.25BN FEB 2030 Eurobond	8.747% US\$1.0BN JAN 2031 Eurobond	7.875% US\$1.5BN FEB 2032 Eurobond	7.696% US\$1.25BN FEB 2038 Eurobond	7.625% US\$1.5BN NOV 2047 Eurobond	9.248% US\$750M JAN 2049 Eurobond
Price (US\$)	101.293	101.962	104.295	107.955	100.495	101.472	108.434	101.291	96.659	94.315	106.091
Yield (%)	3.181	4.464	4.730	5.822	6.411	6.927	7.555	7.702	8.055	8.146	8.666
Yield at Issue (%)	7.000	5.625	6.625	7.625	6.500	7.143	8.747	7.875	7.696	7.625	9.248

Source: Bloomberg

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