



NEWS HIGHLIGHTS:

19th – 23rd April 2021.

- **U.S. Inflation Could Hit 3% Or 4% By The Middle Of 2022.**
- **Stocks Making The Biggest Moves In The Premarket: Welbilt, Netflix, Intuitive Surgical & More**
- **Higher oil prices push up external reserves by \$409m**
- **Importers Lose N16bn Yearly To Foreign Shipping Firms**
- **CBN To Sanction Banks, Bdc's Rejecting Lower Dollar Bills**

GLOBAL ECONOMY:

DBN disburses N191bn loans to MSMEs in 12 months, onboards more PFIs

Loan disbursement by the Development Bank of Nigeria (DBN) in 12 months surged 89 percent from N101.5bn in 2019 to N191.7bn in 2020, the bank said in its 2020 financial report.

The newly released result also indicated a 4 percent growth in total assets from N474.7 billion in 2019 to N493.5 billion in 2020.

The mix of earnings assets showed more loans than investments as the bank continues to ramp up lending to small businesses in Nigeria which are the engine of growth of the economy.

Consequently, outstanding loans increased by 110 percent to N214.0bn in 2020 from N101.9bn in 2019.

Development Bank of Nigeria, a wholesale finance institution, was set up to alleviate financing constraints faced by the Micro, Small and Medium Enterprises (MSMEs) in the country by providing long-term financing and partial credit guarantees to eligible financial intermediaries on a market-conforming and fully financially sustainable basis.

The growth is therefore in line with its core mandate of facilitating sustainable socio-economic development by improving financial access for MSMEs in Nigeria.

"By onboarding more Participating Financial Institutions, we were able to deepen financial inclusion for more MSMEs whose businesses were adversely affected by the pandemic, thereby injecting a new lease of life and providing the right environment for their sustained growth," Tony Okpanachi, managing director/chief executive officer, said on the bank's activities and contribution to the Nigerian economy during the pandemic year.

"We will continue to focus on our core mandate of driving developmental impact," he added.

The bank's income from loans also grew significantly by 60 percent year-on-year from N6.6bn in 2019 to N10.5bn in 2020. Return on assets and return on equity stood at 4 percent and 11 percent, respectively, for the year ended December 31, 2020.

Several cost containment strategies were deployed by the bank resulting in a 12 percent decrease in operating expense year on year.

The bank's earnings remained strong at N34.6bn in spite of the harsh global realities brought about by the COVID-19 pandemic as well as other macroeconomic challenges encountered during the year.

Okpanachi said the bank worked through its Participating Financial Institutions (PFIs) to facilitate increased lending to MSMEs, thereby accelerating economic growth.

He also expressed optimism in the bank's capacity to weather the effects of the global pandemic and other challenges.

“We appreciate the full cooperation of our board, management, staff, and other stakeholders as we were able to operate within strict health and safety guidelines, while increasing our reach to our target market,” Okpanachi said.

DBN was established by the Federal Government of Nigeria in collaboration with global development partners, including the World Bank, AfDB, KfW, AFD, and EIB, to address major financing challenges facing Nigeria’s MSMEs.

It performs this function by providing financial institutions, predominantly deposit money and microfinance banks, with on-lending facilities designed to meet the needs of this segment.

Microsoft to equip five million Nigerians with digital skills

Microsoft plans to equip five million people in Nigeria with digital skills over the next three years.

This is expected to be done in a partnership with the Federal Government towards a sustainable digital economy.

According to an announcement made on the company’s news page on Monday, the tech giant plans to build on three key pillars, which include connectivity, skilling and digital transformation.

Microsoft President, Brad Smith, said, “We believe in the future of Nigeria, and we are excited as a company to add to our investments.

“Together, we have an enormous opportunity to put technology to work, create jobs, to foster the technology ecosystem across Nigeria, and to use technology to preserve the best of the past and take us into the future.”

The partnership is expected to create over 27,000 new digital jobs in the next three years.

Smith added, “We are setting ourselves a big goal, to bring access to digital skills to five million people in Nigeria over the next three years.

“But this is not something we can do by ourselves. We will equip master trainers and, along with them, are committed to creating thousands of new jobs.”

Microsoft said it would also partner with the Economic and Financial Crimes Commission to curb corruption, using advanced technologies, and the National Institute of Cultural Orientation, to protect Nigeria’s cultural heritage.