

Inflation Rate (As at August, 2021) 17.01%

2021 Quarter Two (Q2) GDP Growth Rate 5.01%

Exch. Rate (USD) (NAFEX as at Friday, September 24, 2021) ₦413.14

Exch. Rate (USD) (Parallel market as at Thursday, September 23, 2021) ₦571

Monetary Policy Rate, MPR (As at Friday, September 24, 2021) 11.5%

Crude Oil Price in USD (As at Friday, September 24, 2021) \$77.41

Nigeria's Agricultural Export Surges to Highest on Record

Nigeria exported agro-food items worth N165.27 billion in the second quarter of 2021, representing a 112% increase compared to N78.03 billion recorded in the corresponding period of 2020. This is also the highest on record, according to data tracked from the National Bureau of Statistics (NBS). The recent value also represents a 30% increase when compared to N127.18 billion worth of export recorded in the previous quarter (Q1 2021). Nigeria's agricultural imports however also increased by 56.9% year-on-year in Q2 2021 to N652.08 billion, indicating a trade deficit of N486.8 billion. A brief historic check reveals that Nigeria has recorded a continuous agricultural foreign trade deficit in the past five and half years, with the highest being N503 billion recorded in Q1 2021 followed by the recent N486.8 billion recorded in Q2 2021.

FG, the States and LGs shares N696.9 billion in August

The Deputy Director (Information), Ministry of Finance, Budget and National Planning, Mr. Oshundun Olajide, on Thursday revealed that the Federation Accounts Allocation Committee (FAAC) has shared the sum of N696.965 billion as federal allocation for the month of August. The total amount shared are all inclusive of all generated revenue from Value Added Tax (VAT), Exchange Gain, Excess Bank Charges and Non-Oil enterprises. The Federal Government received N289.257 billion, The States got N217.183 billion and The Local Governments (LGs) received N161.541 billion.

Treasury Bills

The Nigerian Treasury Bills ("NT-Bills") secondary market turned bearish last week as market participants focused on the Primary Market Auction ("PMA") which took place on Wednesday (15-Sep-21). Consequently, the average yield in the market advanced 53bps W-o-W (Week-

On-Week) to close at 5.44% (from 4.91% the preceding week). In more detail, the average yield across short-, medium-, and long-end of the curve advanced 67bps, 55bps, and 45bps W-o-W respectively as the most sell-offs were witnessed on the 11-Aug-22 (+83bps), 25-Aug-22 (+77bps), and 30-Sep-21 (+70bps) in that order. At the PMA last week, we saw higher than expected demand particularly on the 364-Day bill (which recorded a subscription ratio of 16.6x) as a total of N21.88bn was offered by the Central Bank to meet a total subscription of N244.57bn.

FGN BONDS

At the Federal Government of Nigeria ("FGN") Bonds secondary market last week, the bearish sentiment was sustained as average yield advanced 22bps to settle at 11.31% from 11.09% the previous week. Specifically, the average yields of mid-and-long-termed FGN bonds expanded 43bps and 25bps W-o-W (Week-On-Week) to close as 11.76% and 12.73% respectively while that of short-tenured bonds gained 13bps W-o-W.

FX

Naira depreciated against the US dollar on Thursday, to close at N413.68/\$1, representing a 0.12% fall compared to N413.18/\$1 recorded on Wednesday 22nd September 2021. The exchange rate has now maintained an average of N413.46/\$1 between Monday and Thursday. Meanwhile, according to information obtained by Nairametrics from BDC operators in Lagos, the exchange rate at the parallel market appreciated marginally to close at N571/\$1 on Thursday from N572/\$1 recorded a day before.