

# *Buhari Returns*

## *Hopes High & Challenges Daunting*

By Bismarck Rewane

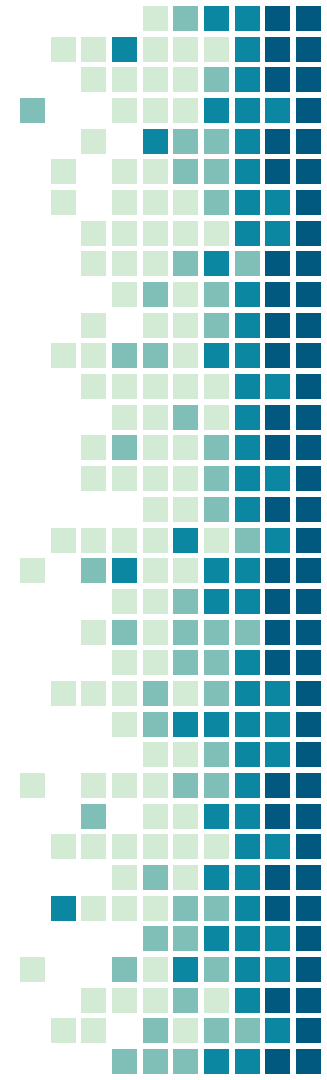
Financial Derivatives Company Ltd.

September 6<sup>th</sup>, 2017



# OUTLINE

- August Highlights
- The World Around Us
- Domestic Economic Performance
- Policy Options, Choices and Implications
- Sectors
- Political Update & Risks
- Outlook



# August Highlights

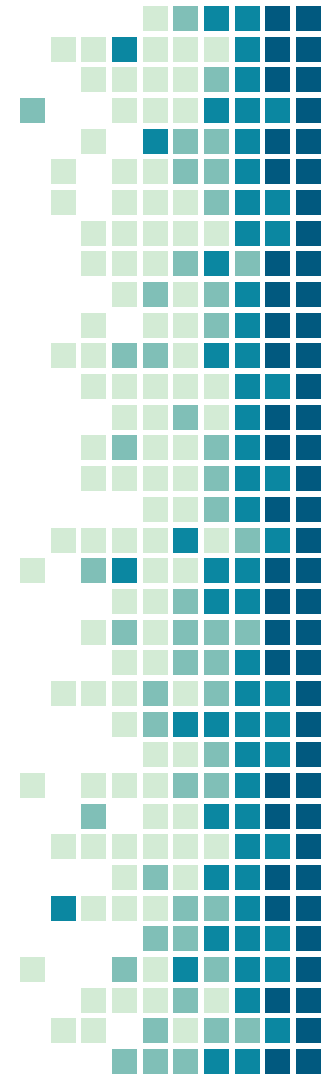


# AUGUST HIGHLIGHTS- GOOD NEWS

- After a 105-day time-out, Buhari returns
- Greeted by ecstatic crowds and an expectant populace
- An economy partially on the mend, Q2 growth of 0.55%
- Oil prices increased from an average of \$50.8pb in Q2 to \$51.8pb in August
- Oil production up to 1.75mbpd
- Salary arrears in most states cleared

# AUGUST HIGHLIGHTS- GOOD NEWS

- Forex liquidity improved
- A more transparent forex market and a stronger naira
- External reserves up to \$31.8bn
- 8.84 months import and payment cover
- Inflation marginally down to 16.05%
- FBN PMI up from 56.3 to 58.5
- Total forex sold in August up to \$1.2bn
- Value of cheques in clearing increased 3.8% to N441bn

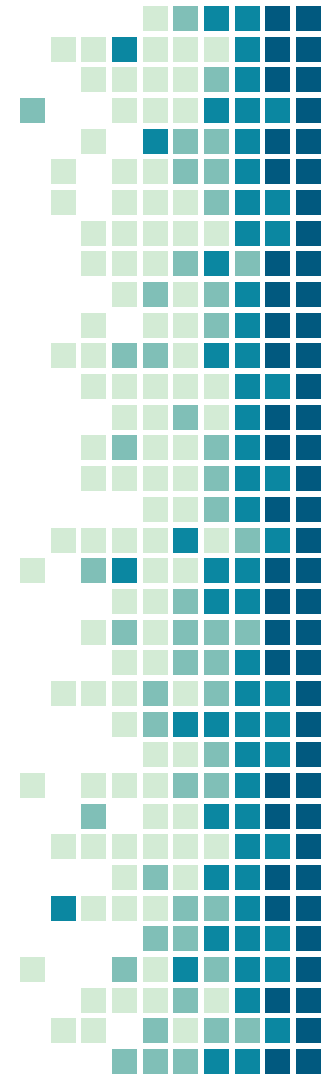


# AUGUST HIGHLIGHTS- BAD NEWS

- Food inflation up to 20.28%, highest level in recent history
- On-grid power declined to 3514MW/h as transmission constraints grew
- The average price of diesel was flat at N170 per liter
- Aggregate revenue shared by states & FGN declined 28% to N467bn
- Naira appreciation in forex market slowed sharply
- Fitch affirms credit rating but maintains negative outlook

# AUGUST HIGHLIGHTS- BAD NEWS

- Stock market appears to be in another bubble
- Irrational exuberance and misguided enthusiasm
- Stock prices up and earnings up in top 10 companies
- Airlines increase international fares again by 10%
- But re-introduced cheap fares in all classes
- Airline load factors sharply higher in August to 95%
- Despite initial fare increase and reduced revenue



# AUGUST HIGHLIGHTS- BAD NEWS

- Supermarkets and departmental store traffic up 15% in August after a sharp fall in July
- July sales were negatively impacted by the floods of July 8-10
- Average retail inventory levels flat at 6 weeks stock
- Manufacturers destocked in favor of cash
- High interest rates increased inventory carrying costs
- Average opening position of the banking system shrank (-N107.97bn)

8 Money supply increased to N22.2trn



# AUGUST HIGHLIGHTS- BAD NEWS

- Net credit to the government spiked 12.89% to N4.99trn
- Net credit to the private sector increased to N22.17trn
- Overnight interest rates spiked to 99% p.a at peak times
- And fell to 10% p.a after FAAC was disbursed
- Average 90-day T-bill rates in primary auctions was 13.4% pa, in the secondary market 18.1% pa
- Federal government re-introduces Export Expansion Grant (EEG)
- Industrial unrest is sweeping across the academia (ASUU) & Resident

# AUGUST HIGHLIGHTS- BAD NEWS

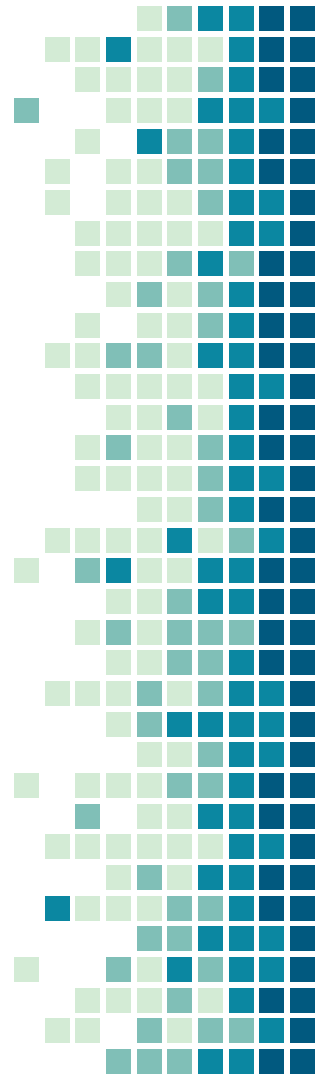
- Wage demand range from the unrealistic to the absurd
- The FGN is not helping matters by constant procrastination
- Consumers continue down-trading in response to sharply declining purchasing power
- Value of instant transfers, NEFT & ATM's were up 6.6% to N1.04trn
- Beer market declined by 13% in volume- mainly stouts and lagers down 9%

# AUGUST HIGHLIGHTS- BAD NEWS

- Value and mainstream beers grew at the expense of premium brands
- The malt market also shrank by 10% in all segments
- Price increases helped mitigate volume losses
- Nigerian Breweries to build new brewery in Benin-City & SAB Miller in Sagamu
- Real estate sector contracted further to -3.53% in Q2
- Vacancy factor expected to increase to 173, 2015 base year of 100



# The World Around Us



# THE WORLD AROUND US

- US economic growth in Q2 revised to 3% annualized
- Initial estimate was 2.6%
- Improvement was because of stronger investment & consumer spending
- Increases the likelihood of a rate hike in November
- Hurricane Harvey devastation to cost the US govt in excess of \$180bn

# THE WORLD AROUND US

- Cut off 20 - 25% of US refining capacity
- Pushing up retail gasoline prices by 21% to \$2.88/gallon
- Impacting global oil prices negatively
- Bain capital & Apple to buy Toshiba's chip business
- UBER appoints a new CEO after a crisis of culture and growing competition

# THE WORLD AROUND US

- Janet Yellen steered clear of controversy at Jackson Hole meeting
- Focused on lessons from the 2008 crisis after 10 years
- Appears on collision course with Trump who thinks regulation is hurting the economy
- By restricting credit and making borrowing more difficult
- Consensus is that US rates will be hiked 25 basis points in November

# EURO AREA

- Basking in the afterglow of the Brexit crisis
- The euro hit a 2-year high of \$1.20 and 8-year high against the U.K pound
- Stronger euro is hurting the competitiveness of the Eurozone



# IMPACT ON NIGERIA

- Nigeria is vulnerable to another hike in US rates
- Could induce a slight reversal of capital flows
- Could hurt the Nigerian banks that have Eurobond obligations to settle
- Hurricane Harvey has reduced the demand for crude by Texas refineries
- Putting pressure on oil prices

# IMPACT ON NIGERIA

- The Euro is linked to the CFA franc
- A stronger Euro and CFA makes Nigerian exports to ECOWAS more attractive
- Leading to more export smuggling and higher domestic inflation and shortages

## *Africa... United by One Bank*

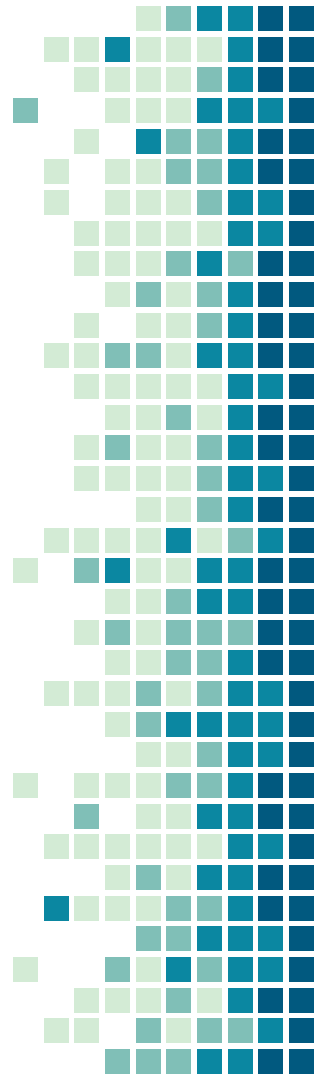


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# Sub Saharan Africa



# SOUTH AFRICA – EXITS RECESSION

- Grew 2.5% in Q2'17 after 2 consecutive quarters of negative growth
- V-shaped recovery driven by 34% rise in agricultural output
- The Reserve Bank cut rates for the first time in 5 years – by 25bps to 6.75%
- Also revised its 2017 GDP growth forecast to 0.5% from 1%
- Weak consumer confidence and real wage growth weighing on outlook
- Policy uncertainty & political instability remain the key risks for investors
- Fitch Ratings has downplayed the impact of the newly announced inclusive growth plan

# ANGOLA – ENTERS NEW POLITICAL ERA

- Elected its first new president in 38 years
- A milestone for a country reeling from the impact of lower oil prices
- Outgoing President Jose Eduardo dos Santos is Africa's second longest ruling leader after Equatorial Guinea's Teodoro Obiang Mbasogo
- His family retains control of the economy through its key institutions
- His daughter Isabel – Africa's richest woman – is chief executive of the country's state oil company, Sonangol
- His son Jose Filomeno heads Angola's \$5bn sovereign wealth fund

# KENYA – VICTORY FOR DEMOCRACY/ CHAOS

- Supreme courts invalidates August's elections citing irregularities
- New elections will take place on Oct 17<sup>th</sup>
- Ruling could damage credit ratings
- Nairobi stock exchange has lost 4% after the annulment of the election
- Prolonging the political uncertainty that has undermined business confidence and economic growth
- No guarantee that Oct 17 will be the end of the crisis

# GHANA

- IMF approves 1-year extension on \$0.98bn credit-facility program
- After marked progress in fiscal and monetary reforms
- GDP growth at 3.4% is the fastest in over 2 years, inflation is slowing, and the central bank is cutting rates
- But the govt will have to cut spending due to weak revenues
- Lower-than-expected oil prices eroding gains from increased oil output
- Global oversupply has cut cocoa prices by over 33% in the past year
- Fiscal shortfall of 9.6% in 2016 almost twice the target of 5.3%

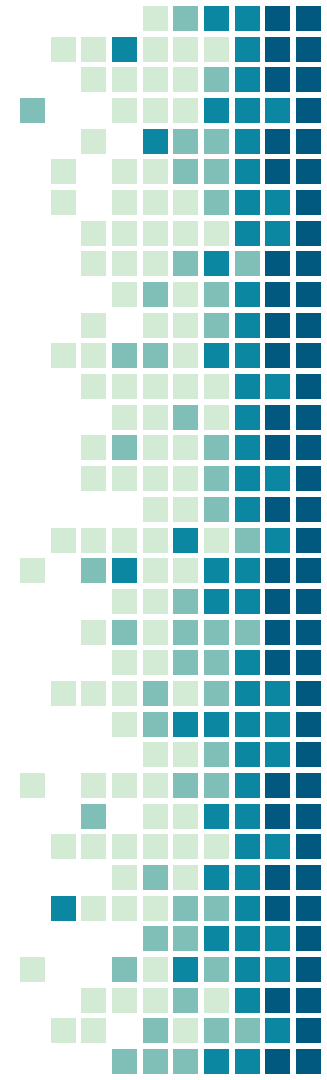


# PEER COMPARISON

	Income per capita (US\$)	GDP growth (%)	Inflation (%)	Monetary Policy
Nigeria	1,929	+1.25	16.05	Status quo (Tightening)
Ghana	1,513	+3.4	11.90	Reduced rates 3 times
Angola	3,110	-3.45	27.29	Status quo
South Africa	5,273	+2.3	4.60	Reduced interest rate in July

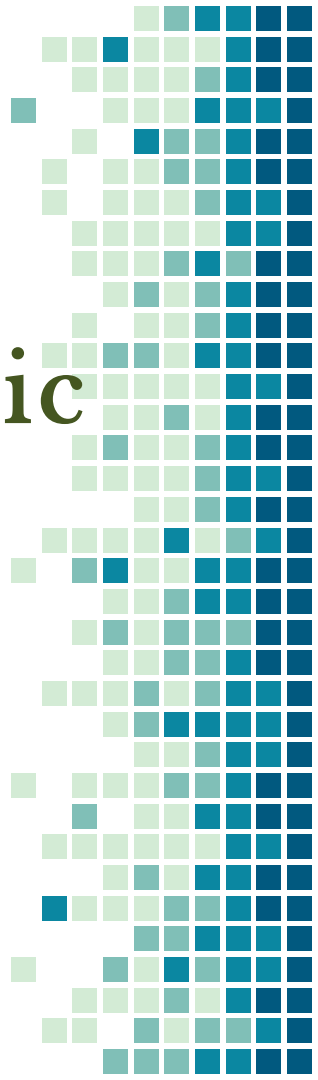
# LESSONS FOR NIGERIA

- Separation of power is for real
- The populace are getting less tolerant of political games
- Its always the economy stupid





# Domestic Economic Performance



# LEADING ECONOMIC INDICATORS- OUTPUT

LEI	Jul'17	Aug'17	% Change	Sept'2017
GDP Growth (%)	0.5-0.7(Q3'17)*	0.5-0.7(Q3'17)*	--	0.5-0.7(Q3'17)
Oil Price (\$pb; avg)	47.89	52.47	9.56	50
Oil Production (mbpd)	1.73 (June)	1.75 (July)	1.16	1.77
Natural Gas (\$/MMBtu; end)	2.883	2.941	2.01	3.01
Power (MW; avg)	3,350.45	3,352.97	-0.07	3300
PMI	FBN: 56.3 CBN: 54.1	58.5 53.6	FBN: 2.2 CBN: -0.5	FBN:58.7 CBN: 54
Inflation (%)	16.1	16.05	-5bps	15.7
Consumer Confidence	-27.5 (Q1' 17)*	-17(Q2'17)	38.18	1(Q3'17)*
Business Confidence	-29.40 (Q1'17)*	-1.5 (Q2'17)	94.89	10 (Q3'17)*

# LEADING ECONOMIC INDICATORS- MARKETS

LEI	Jul'17	Aug'17	% Change	Sept'17
T Bills (91 days) – Primary	13.88	13.81	-7bps	13.79
T Bills (182 days) - Primary	19.05	18.99	6bps	19.1
Average NIBOR (%) (O/N, OBB, 30)	17.68	27.48	980bps	25.00
Average Lending Rate	25	25	-	24.5
Average Opening Position(N'bn)	89.65	-107.97	-220%	-40.2
Money Supply	-7.33%	-4.2%	3.1\$	-4.2%
<b>Credit to public sector</b>	+5.91%	+7%	1.1%	+7%
<b>Credit to private sector</b>	-0.02%	+1.5%	1.52%	+1.5%
External Reserves (\$bn)	30.77	31.60	2.70%	31.9
Exchange rate (N/\$; month-end)	IFEM: 306.15 Parallel: 365 IEFX: 367.88	306.35 365 359.67	IFEM: -0.06 Parallel: -- IEFX: 2.28	IFEM: 306.1 Parallel: 365 IEFX: 357
Stock Market (N'trn)	12.35	12.24	-0.89	12.1

# LEADING ECONOMIC INDICATORS

- The trend of indicators confirm a slowly improving situation
- Leading indicators suggest a likely pick up in growth in Q3
- Major growth drivers remain oil production above 1.7mbpd
- An improvement in gas supply owing to Forcados, Escravos and Western Delta (Seplat)
- Food inflation is likely to decline sharply to below 15% in September
- Courtesy of bountiful harvest in wage cassava & tomato
- With diesel price expected to decline again towards N150/ltr
- Logistics and distribution costs could fall significantly

# LEADING ECONOMIC INDICATORS

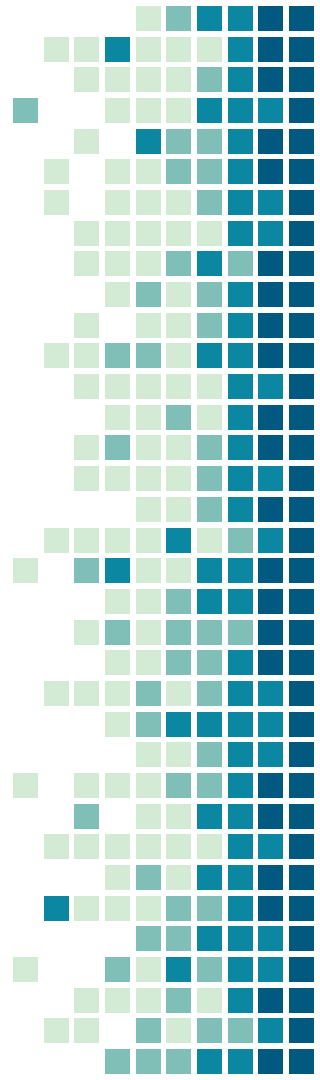
- PMI expansion in October will slow sharply
- As the carrying costs of inventory bites into margins
- We expect the price of flour to fall towards N9000 per 50kg bag from N10,500 now
- The naira will come under pressure as the CBN attempts to maintain forex supply
- In September & October the CBN will need to increase supply to N1.5bn a month
- External reserves are likely to slip towards \$30bn due to maturing obligations

# LEADING ECONOMIC INDICATORS

3 major determinants of the sustained exit from the recession are:

- Petroleum production- Capped at 1.8mbpd
- Exchange rates
- Interest rate direction- Pressure is building

The most volatile of the variables is the forex market





# EIU'S NOTE ON NIGERIA'S FOREX DILEMMA

- Nigeria has one of the most complex forex systems
- It has at least 5 exchange rates simultaneously available:
  - Official N305
  - Airlines N359
  - BDC's N365
  - Invisibles & ITOs N370
  - Export/Investor window N358

# EIU'S NOTE ON NIGERIA'S FOREX DILEMMA

- Reforming the system to establishing a coherent & unified market is the biggest challenge
- Buhari's govt. believes in the myth of a strong naira and forex subsidies is synonymous with a strong economy
- After floating the naira in June 2016 the system was abused
- Naira crashed to as low as N520
- With the NAFEX now at N362, the CBN has accepted that devaluation is not a kiss of death

# EIU'S NOTE ON NIGERIA'S FOREX DILEMMA

- Airlines have moved from N305 to N325 to N359 in one month
- The effective weighted exchange rate is now at N340 and not N305
- Now banks are trading among themselves and international investors are back
- A single rate is unlikely before the election
- The economy will shrink in dollar terms before expanding in real terms
- The myth of a strong currency will remain in Abuja until 2019



Every meal starts with us



• Salt (Refined and Iodized) • Seasoning (Cubes and Tablets) • Tomato Paste • Vegetable Oil

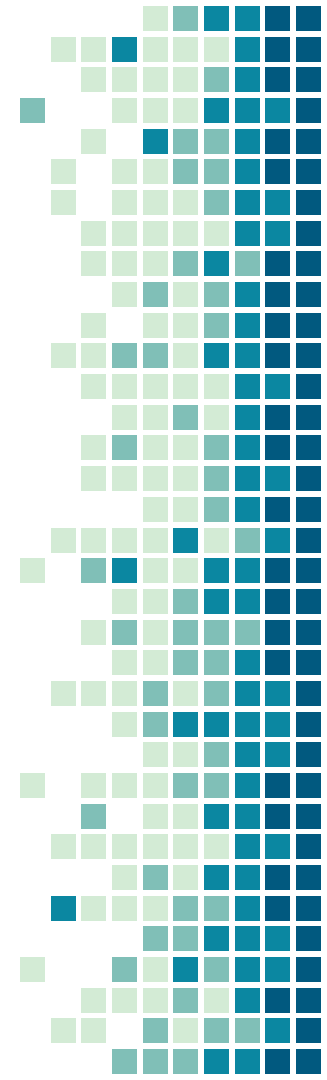
[www.nasconplc.com](http://www.nasconplc.com)



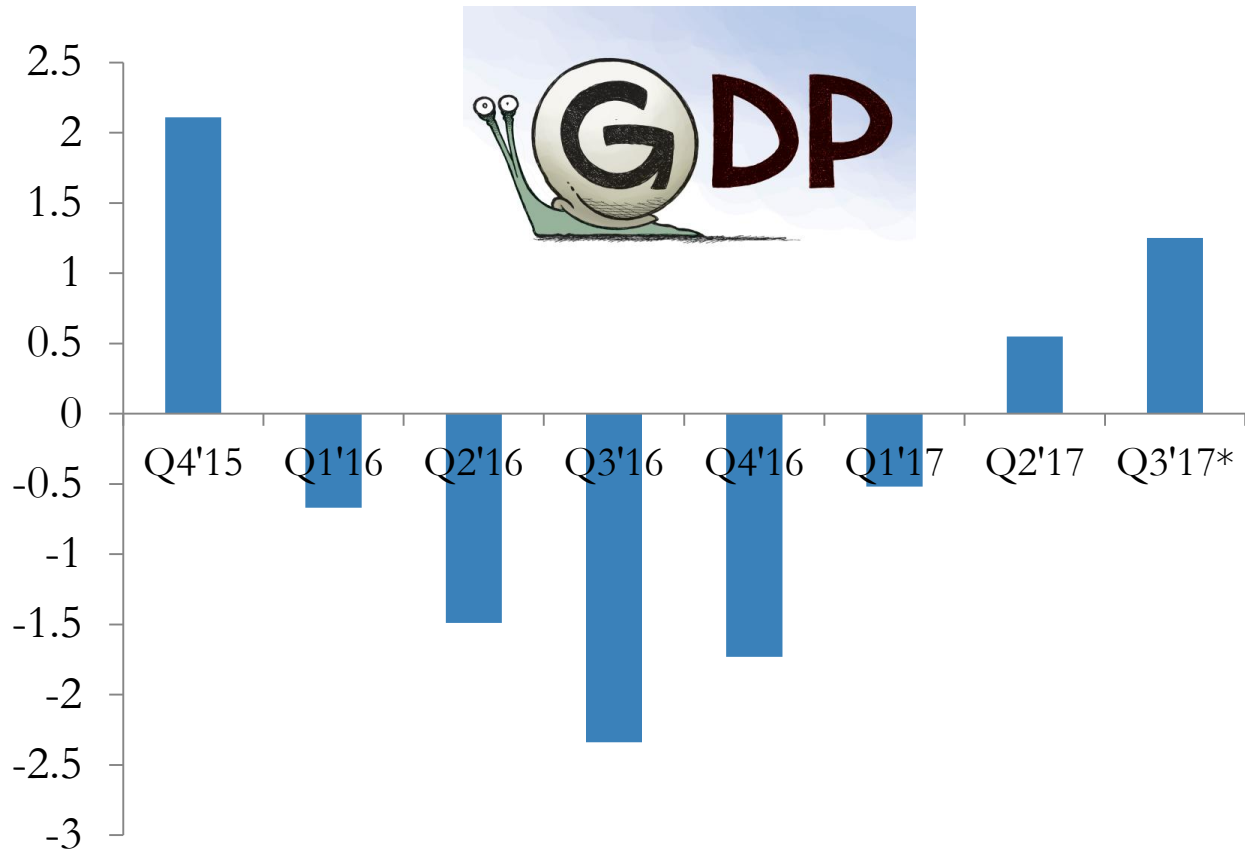
Available nationwide.

# Nigeria Exits Recession

## Matters Arising



# THE SLOW PATH TO RECOVERY



# THE SLOW PATH TO RECOVERY

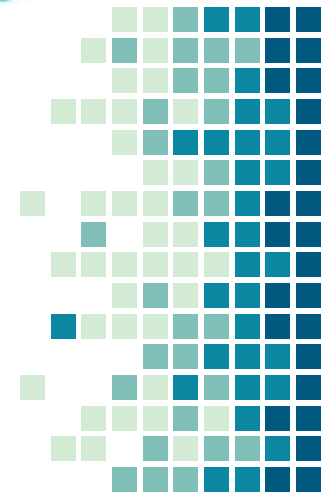
- Nigeria fell into a recession for the first time in 25 years
- It lasted for 5 quarters from Q4 2015
- Of 15 major activities, 12 were expanding & 3 were contracting
- This report shows positive growth
- Below population growth rate of 3% and SSA growth of 2.1%
- Leading to falling income per capita



# THE SLOW PATH TO RECOVERY

- Credit to private sector down marginally -0.02% in Q2
- Credit to public sector up 5.91% in Q2
- Average T-bill rate in Q2- 18.21% p.a (Effective 23% p.a.)
- PMI in Q2 up from 55.9 to 58.5



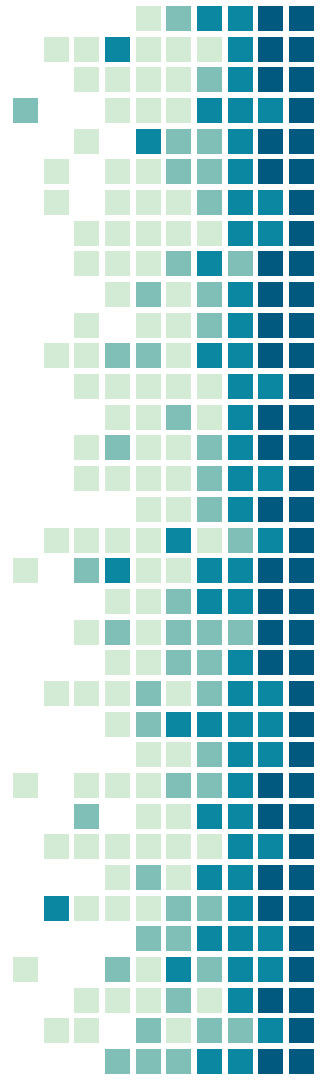


# THE SLOW PATH TO RECOVERY











# Commodities



# COMMODITY OUTLOOK

Export Commodities	(Aug– Sept 2017)		Import Commodities	(Aug – Sept 2017)	
Oil (\$/b)	52	0.15% 	Wheat (\$/bushel)	4.54	-0.02% 
Liquefied Natural Gas (\$/mmbtu)	2.90	6.89% 	Sugar (\$/pounds)	13.75	0.29% 
Cocoa (\$/mt)	1,951	1.02% 	Rice (\$/cwt)	12.16	1.77% 

# EXPORT COMMODITIES

- Over 95% of Nigeria's exports are raw materials
- Bleak outlook for commodities threatens currency and growth
- Prices are expected to stay low as market remains oversupplied
- Gains will be mild and infrequent
- Indian demand for Nigeria's oil sharply lower
- Nigeria now at the OPEC output limit of 1.9mbpd

# EXPORT COMMODITIES

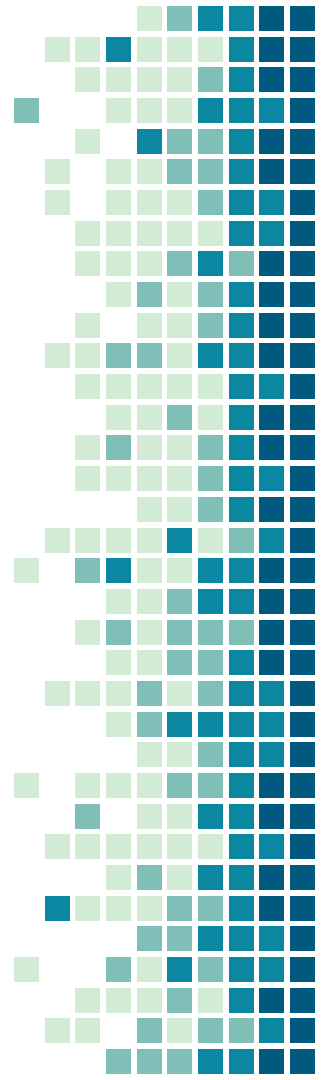
- The expected slowdown in Chinese demand, due to lower economic growth, will push prices down marginally
- Oil prices expected to post small rises in Q4 2017
- Supported by modest market tightening
- OPEC compliance to output cut expected to slip
- As member countries become frustrated with the cartel's dwindling market influence

# DOMESTIC COMMODITY PRICE MOVEMENT

		CURRENT PRICES(LAGOS)			Lagos Price	
Commodities		CURRENT PRICES	PREVIOUS PRICES	% CHANGE	1 year Low	1 year High
Price Elastic	Palm Oil (25L) 	N15,000	N12,500	↔	N6,000	N25,000
	Semolina(10kg) 	N3,200	N3,200	↔	N2,300	N3,500
	Old Yam (large tuber) 	N1,300	N1,400	↔	N600	N1,500
	Tomatoes (50kg) 	N12,000	N24,000	↔	N8,000	N28,000
Price Inelastic	Garri (50kg) 	N10,000	N13,500	↔	N8,000	N16,000
	Rice (50kg) 	N16,500	N17,000	↔	N13,500	N22,000
	Flour (50kg) 	N10,500	N10,500	↔	N8,500	N11,000
	Sugar (50kg) 	N19,500	N19,500	↔	N8,000	N20,000
	Beans (Oloyin) (100kg) 	N29,000	N34,000	↔	N12,000	34,000
	Cement (50kg) 	N2,700	N2,700	↔	N1,400	N2,700

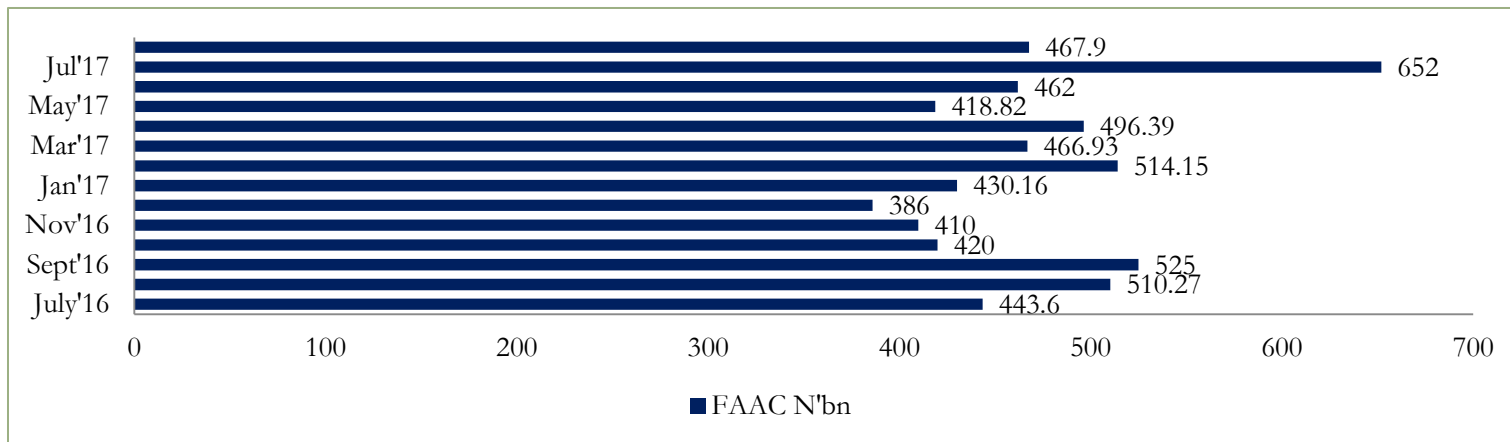


# Market Proxies



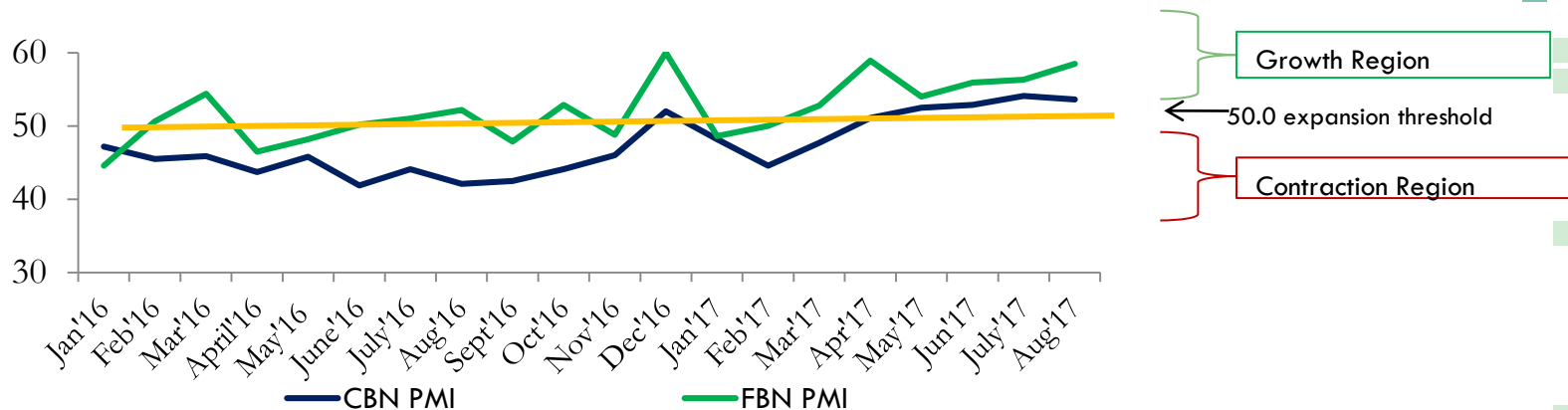


# FAAC



- The sum of N467.9bn was disbursed in July'17
- VAT revenue: N80.53bn
- Exchange rate gain: N62bn
- FAAC amount will fall to N420bn in September

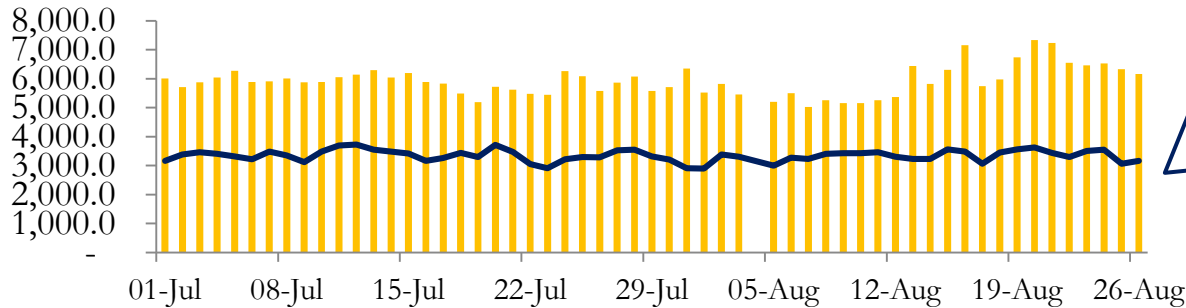
# OPTIMISTIC MANUFACTURERS & RESISTANT CONSUMERS



- FBN PMI up to 58.5 in August from 56.3
- We expect PMI to slip towards 57 in September due to carrying costs
- Employment data likely to be negative also due to higher interest rates

# POWER UPDATE

- Power output reached a peak of 3,626MW/h and a low of 2,901 in August
- Average sent out: 3,167 MW/h. Total power generated: 6,166 MW/h
- Frequency management constraints responsible for up to 40% of total loss

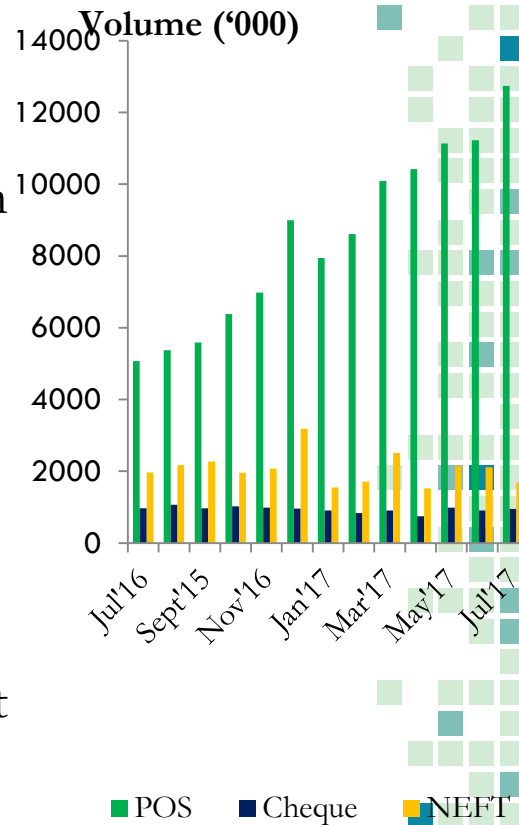


The area above the line graph represents power lost due to constraints. Daily power constraints averaged at 2,673 MW

■ Total power generated (MW/h) — Average Power Sent Out (MWh/hour)

# PAYMENTS AND SETTLEMENTS

- Nigerians spent N4.4trn on electronic payments in H1
- Indicative of ongoing retail revolution
- Volume of transactions in July'17 relative to Jun'17 in all categories:
- POS ↑ 13.52% to 12.7m
- Cheques ↑ 5.18% to 955,076
- NEFT ↓ 20.17% to 1.68m
- Instant transfers ↑ 13% to N32.25m
- We expect an increase in August and September of at least 10%
- Reflecting increasing M2 growth & velocity of circulation



# PAYMENTS AND SETTLEMENTS

- Value of transactions in July'17 relative to Jun'17 in all categories:

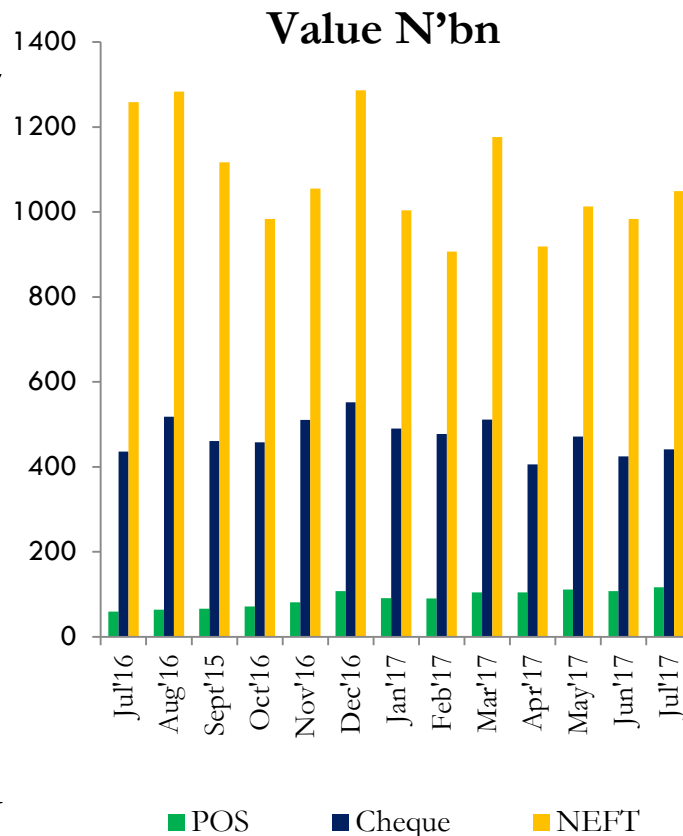
- POS ↑ 8.28% to N116.6bn

- Cheques ↑ 3.83% to N441.3bn

- NEFT ↑ 6.65% to N1.048trn

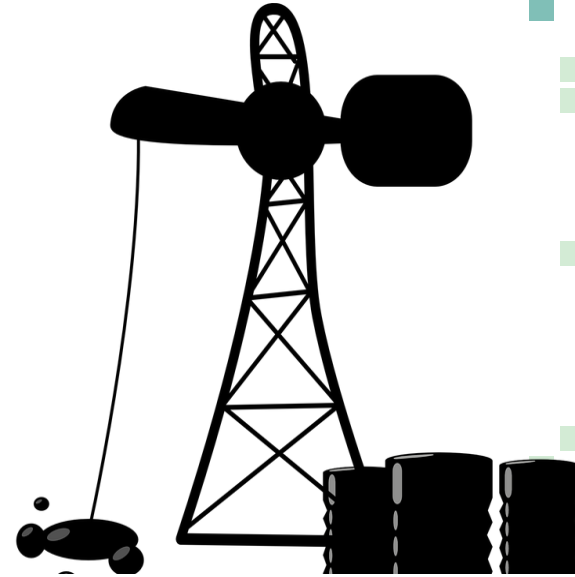
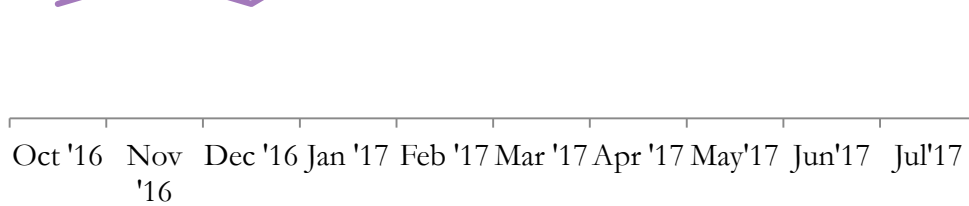
- Instant transfers ↑ 6% to N4.58trn

- Instant transfers are the preferred mode of payment



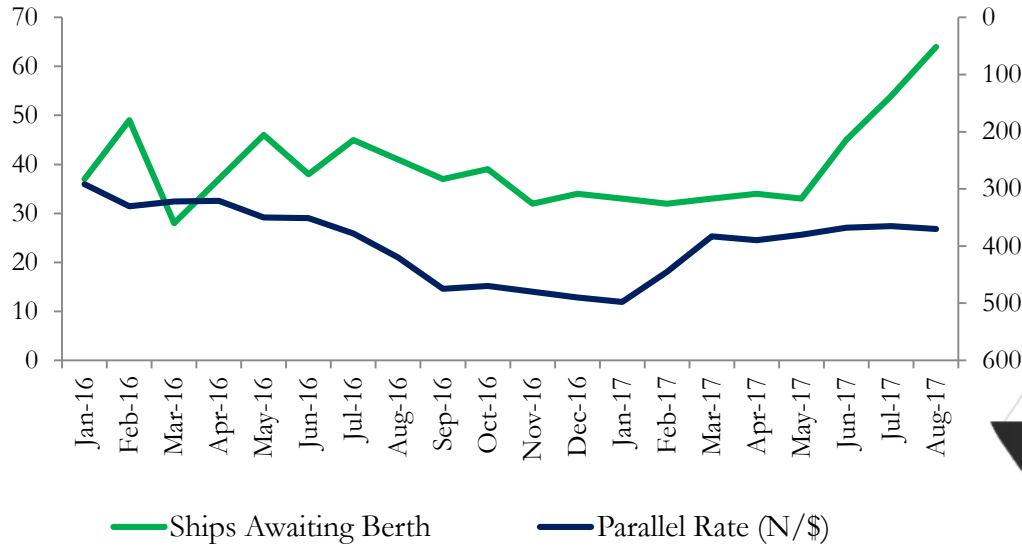
# OIL RIGS

Nigerian Rig Count



- The number of operational rigs was up by 12.5% to 9 in June

# SHIPS AWAITING BERTH



- Ships awaiting berth jumped from 54 in July to 64 in August
- Driven by forex availability and delays in offloading ships due to decrepit port facilities



# Policy Options, Choices & Implications





# POLICY: WHAT ARE THE PROBLEMS?

Security ✓

Poverty ✓

Revenue & Debt ✓



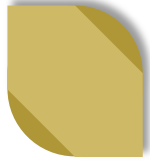
✓ Economic Growth

✓ Investment & Competitiveness

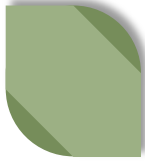
✓ External Imbalances



# POLICY RESPONSE: PRIORITIZING



Forex Policy



Interest Rate  
Policy



Tax Policy



Trade Policy



Investment  
Policy



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- Alpha Beach,
- 07015834226

#### ABUJA 1

- 20, Port Harcourt Crescent,
- Off Fimbiya Street, Area 11,
- Garki, Abuja.

#### ABUJA 2

- Banex Plaza, Aminu Kano
- Crescent, Wuse 2, Abuja.

#### OWERRI

- 658 Ribswie Road,
- Owerri, Imo State.

#### ASABA

- 339 Minibisi Road,
- Opposite Asaba
- Stadium, Asaba.

#### ENUGU

- 124, Upper Chime Avenue,
- Enugu
- 1, Market Road, by Harco
- Filling Station, Off Ogui Road.

#### WARRI

- Shop 42 Delta Mall,
- Efurun Road, Warri.

#### KANO

- Shop G13, Ado Bayero Mall, Kano.
- Dankoli Plaza, 42 Beirut Road,
- Kano.

#### IBADAN

- Shop UL39, The Palms Shopping
- Complex, Corner of Liberty
- Stadium Ring Road, Ibadan.

#### PORHARCOURT CITY

- 6A, Main Aba Road, by Govt.
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- Uyo.

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# Aviation Update

*Super Connectors Hit a  
Brick Wall*



# AVIATION UPDATE

- The greatest aviation disrupters of the 21<sup>st</sup> century are Dubai, Emirates, Etihad Airways of Abu Dhabi and Qatar Airways
- They have quadrupled the number of passengers they fly each year
- Tempted travelers with competitive pricing, superior service and luxurious premium cabins
- They turned the Gulf into the stop over destination of global travel

# AVIATION UPDATE

- After so many years every good thing must come to an end
- Terrorist attacks across Europe & political tension have taken their toll
- Gulf airlines now face turbulence

## Emirates

- 82% fall in profits 2016/17, the first drop in profitability for 5 years
- 2% annual average growth in 2017 for seats departing from Dubai

# AVIATION UPDATE

## Etihad Airways

- \$1.9bn losses in 2016 which included \$808m of impairment charges associated with equity stakes
- 3% average annual growth rate in seats departing from Abu-Dhabi

## Qatar Airways

- 18 destinations shut off in Bahrain, Egypt, Saudi Arabia and the UAE
- 1% average annual decline in 2017 for seats departing from Doha

# AVIATION UPDATE

- According to IATA, regional carriers will earn an average of \$1.78 per passenger in 2017
- Compared with a global average of \$1.69



# NIGERIAN AVIATION

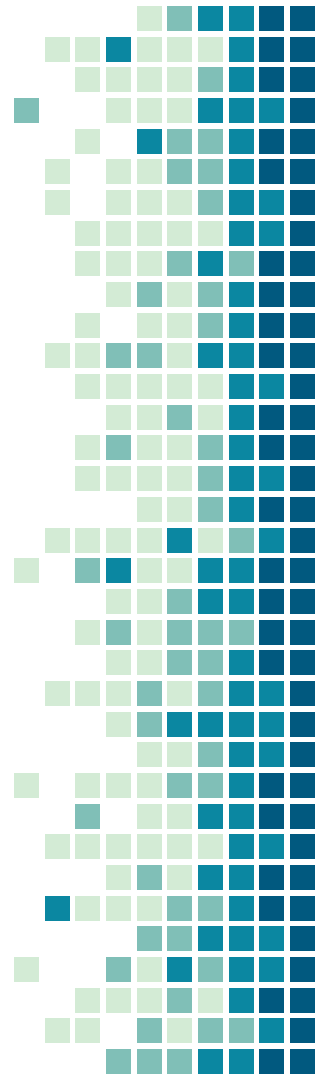
- Airlines finally got the CBN to succumb to the new rate of N359/\$
- Approximately 18% higher than N305/\$ 5 weeks ago
- Demand for international flights and frequency will fall sharply
- Cheap classes in all fare categories will now be available
- Effectively, fares will decline for efficient travelers who can plan ahead
- Ethiopian Airlines is poised to manage and take a stake of Arik

# NIGERIAN AVIATION

- Ethiopian Airlines owns 49% of Malawi Airlines and is the only profitable African carrier
- Lagos is losing passengers both on domestic and international routes
- Category one status for Nigerian carriers to the US still unsure
- September early booking strong: 90%
- From mid-September a sharp fall down to 55%
- Expect discount fares
- BA to commence the Boeing 747 High J from tomorrow

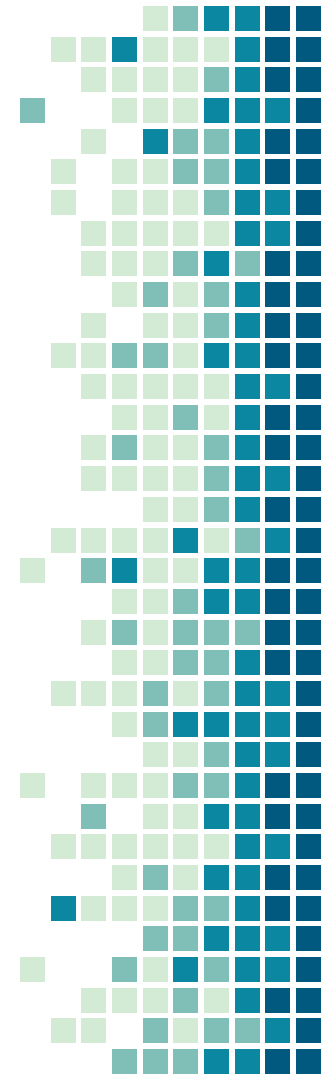


# Stock Market



# MARKET IN AUGUST

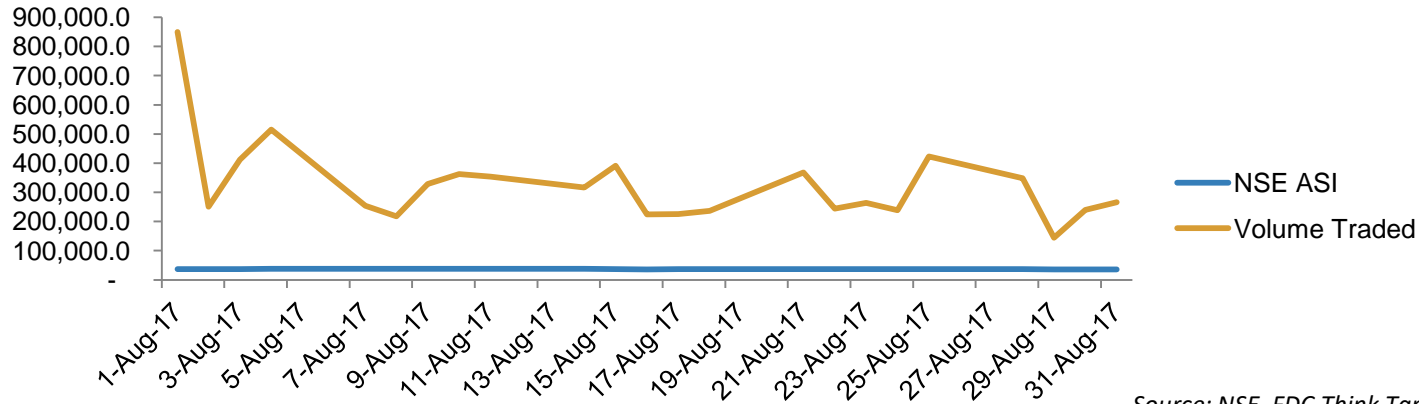
- The Nigerian Stock Market is on a tear again
- Gained 31% year to date
- Stuttered in August and early September
- Lost 7% within 2 days after president's arrival
- Market capitalization now in excess of N12trn
- Average Daily Turnover now at N4.7bn



# MARKET IN AUGUST

- Corporates declare interim dividend
- **UBA-** 20kobo, **Access Bank-** 25kobo, **GTBank-** 30kobo, **Stanbic**  
**IBTC –** 60kobo, **Nestle-N10**
- FMCG's gained, all other sectors declined
- Guinness is back to winning ways- Profit of N1.9bn
- With positive P&L and growth prospects

# NSE-ASI AUGUST HIGHLIGHTS

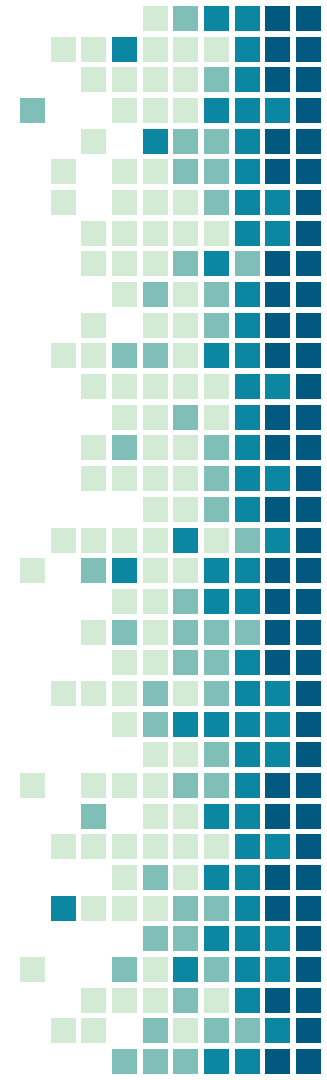


Source: NSE, FDC Think Tank

- NSE declined by 36% to 35,504

A close-up, slightly blurred image of a financial line chart on a piece of paper. A silver pen is resting on the chart, pointing towards the data lines. The chart shows several peaks and troughs, with some numbers like '250' and '375' visible. The background is a light blue and white grid.

# Banking Industry Highlights



# BANKING INDUSTRY HIGHLIGHTS

- H1'17 results reveal deposits under pressure
- Attributed to the public moving still tilting towards fixed income instruments
- And FX liquidity which depressed customer deposits
- Total interest income of five banks increased by 37%



# BANKING INDUSTRY HIGHLIGHTS

- Profit Before Tax increased by 34%
- Total loans to customers declined by 0.1%
- GTB: -5%, Access Bank: -24%
- Most banks avoid exposure in sectors like real estate, telecoms, and aviation

# EARNINGS AT A GLANCE



○ Net interest income	↑ 80% - N41bn	↑ 11% - N35bn	↑ 23% - N62bn
○ Loans to customers	↓ 2% - N367bn	↓ 7.3% - N720bn	↓ 1% - N984bn
○ Impairments	↓ 65% - N14bn	↑ 0.3% - N4.8bn	↑ 7% - N20bn
○ Profit before tax	↑ 86% - N29bn	↑ 67% - N10bn	↑ 2.7% - N10.7bn
○ Cost to income ratio	↓ 47%	↓ 67.3%	↓ 62.7%
○ Loan to Deposit Ratio	70%	80.4%	65%
○ Capital Adequacy Ratio	19.2%	18.4%	15.4%
○ Cost of Risk	4.6%	1.3%	3.8%



## Who We Are

**A**vant-garde Academia Limited (AAL) is an education advisory and counseling service organization that was incorporated in July of 2013. AAL was incorporated as an educational aggregator in grooming candidates to be potential global citizens who will reinvest their acquired skills in Nigeria in future. It is positioned to provide support, assistance and guidance to potential candidates and entrants to Ivy League, Elite and premium academic institutions in America. Our target market comprises parents of children in identified elite Nigerian secondary schools and/or top executives in the business community, who have a strong need for our services. The market also extends to Nigerians resident in Diaspora, and expatriates resident in Nigeria. In Partnership with Ascent Education Advisors, a reputable Education Advisory Services firm, we have designed a range of admissions solutions to cater for children in different stages of secondary school education.

### OUR STRATEGIC PARTNER – ASCENT EDUCATION ADVISORS

A reputable education advisory service firm, the lead consultant Ms. Peggy Hanefors has over 10 years experience in admissions; including a position as the Assistant Director of International and Transfer Admissions at the University of Pennsylvania. She was first reader and evaluator of about 3,000 applications for students from across the globe.

### What We Offer

- Information and advice about the American University System and its application process.
- Evaluation of student's record prior to application.
- Assistance in selecting curriculum and summer activities that will match the student's desired course of study and also highlight his/her personality and interests.
- Development of personal application timeline, that includes standardized testing, college visits, application deadlines, etc.
- Help in selecting teachers for recommendations
- Guidance in presenting extracurricular record
- Guidance in putting together an overall great college application that highlights the unique attributes of the applicant
  - Essay topic brainstorming
  - Editing
  - Proof-reading
- Guidance in choosing the most suitable college among acceptances.
- Interview preparation

### Our Packages

#### Package 1: 8th to 10th Grade (Final 3-5 Years)

This package is a program designed for candidates from as early as the 8<sup>th</sup> grade (Junior Secondary School - JSS 2) of high school. This is a full package with the benefits of all the services we offer in addition to education and assistance with entire college admission process, including an unlimited number of applications.

#### Package 2: 11th and 12th Grade (Final 1-2 Years)

This package is similar to Package 1 but is designed for students in the final two years of high school.

#### Package 3: (Per Application)

Unlike packages 1 and 2, package 3 only provides unlimited assistance with applications to pre-determined universities.

We host a Parents Admission Support Forum in Lagos bi-annually with the aim of giving parents the information they need to ensure their child(ren)/wards gain admission into reputable universities in United States of America.

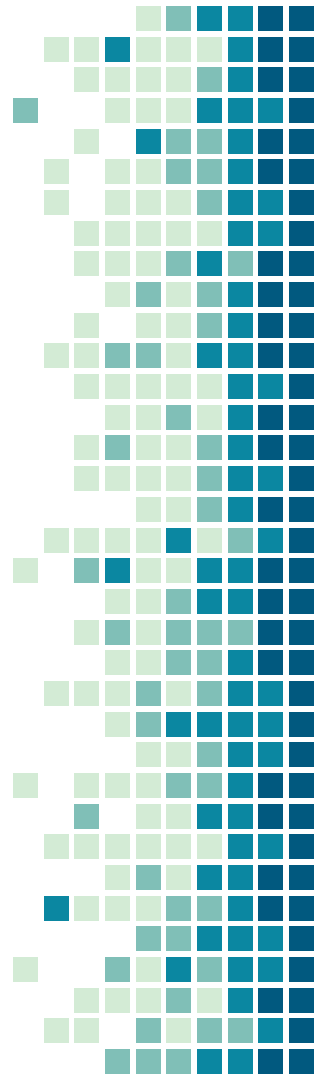
To attend one of our events, kindly contact or visit us at  
9a Idejo Street, Victoria Island Lagos.

For more information about Avant- Garde Academia Limited please go to our website: [www.avant-gardeacademia.com](http://www.avant-gardeacademia.com)

For enquiries or consultation E-mail us: [info@avant-gardeacademia.com](mailto:info@avant-gardeacademia.com) Or call Chinyere Ubani 08039238138 | Tope Vincent 08034017603



# FMCG Industry



# CURRENT TRENDS IN THE NIGERIAN FMCG SPACE

- Rights issue becoming the new school for alternative source of funding
- Tailor-made products to suit every market segment
- Expansion projects
- Local sourcing of raw materials to drive down cost

# STOCK MARKET-EXPECTATIONS IN THE NEAR FUTURE

- Positive earnings not a yardstick for increase in share price
- Reduction in interest rates will see high equity participation
- Continued FX liquidity will further boost earnings for companies



# Political Update & Risks

*Election Season in 90days*



# POLITICAL UPDATE

- After Kenya's decision and the rumble in S. Africa
- Nigerian leaders must learn some basic lessons
- Separation of powers is a reality
- True economic prosperity may be the only guarantee of political success
- It is harder to remain in power than to get to power

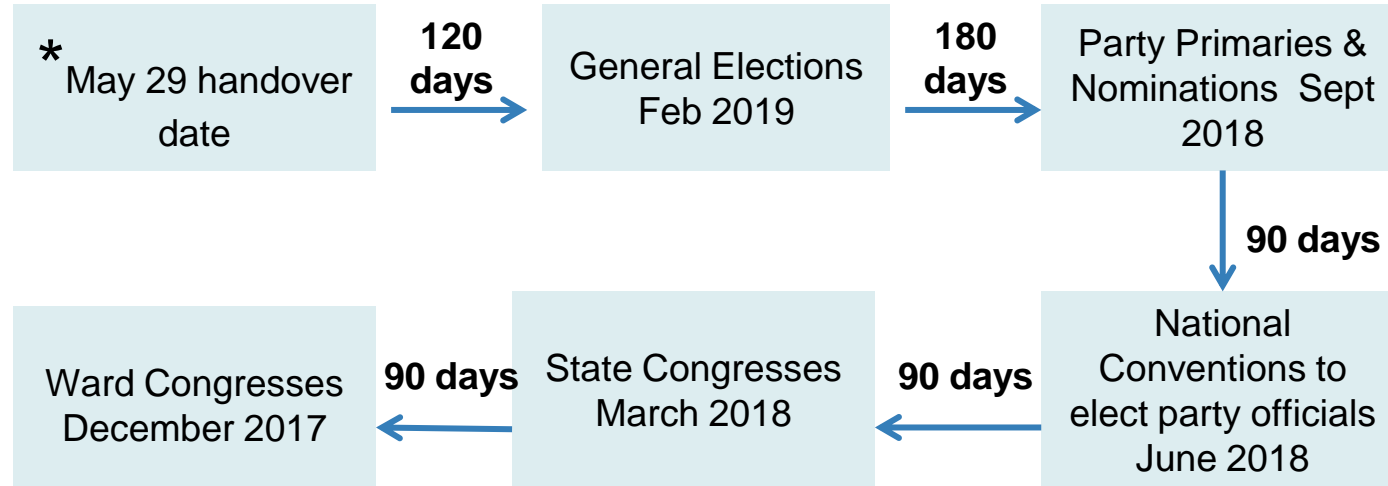


# POLITICAL UPDATE & RISKS

- Buhari is back and he must:
  - Run the APC, a political party, effectively
  - Manage a government efficiently
  - Run a presidential campaign and general elections
- With an electorate that expects a lot and believes very little
- He needs 4 critical elements: charisma, trust (credibility), brains & energy
- His strongest asset is that he is mainly credible

# POLITICAL UPDATE & RISKS

- Also the opposition is in tatters
- Trust can evaporate very quickly if mismanaged
- The election timelines are tight and treacherous
- Working backward from



# POLITICAL UPDATE & RISKS

## 3 way race

APC and Buhari's Record

VS

PDP historical record of corruption & waste

VS

3rd party – No record

- Can claim APC you know, PDP you knew. Party X - you do not know – Why NOT?

# POLITICAL UPDATE & RISKS

- In the game of politics anything is possible
- Odds on favorite is for an incumbent
- The stalking horse vs the running horse
- The APC will struggle but may likely squeak a victory after a fierce political battle



**LAGOS  
BUSINESS  
SCHOOL**  
PAN-ATLANTIC UNIVERSITY

Executive Education

## 2017 OPEN SEMINARS (March to October)



### ACCOUNTING, FINANCE & ECONOMICS

Accounting & Finance for Non-Finance Executives	May 15 - 19
Financial Modeling	July 17 - 21



### GENERAL MANAGEMENT

Managing Compliance and Legal Risk	May 22 - 24
Stepping up to Management	June 29 - 30
Managing People for Strategic Advantage	July 10 - 12



### MARKETING AND SALES MANAGEMENT

Essentials of Sales and Marketing	July 3 - 5
Strategic Account Management	July 11 - 13
Digital Marketing	July 24 - 25
Outstanding Customer Relationship	August 29 - 30



### OPERATIONS & MANAGEMENT INFORMATION SYSTEMS

Strategic Procurement/ Contract Management	May 3 - 5
Smart Business Decisions: The power of data analysis	May 22 - 26
Developing Analytical Competencies for Managing Operations	July 3 - 7



### PERSONAL LEADERSHIP & HUMAN RESOURCES MANAGEMENT

Building & Leading the 21st Century Team	April 19 - 21
Legal Issues in HRM	April 19 - 27
Negotiation Skills & Tools	April 25 - 27
Advanced HRM	April 7 - May 12
Mastering Human Resource Management	June 5 - 9
Refining Your Interpersonal Skills	October 23 - 25



### STRATEGY, INNOVATION & GOVERNANCE

Sustainability Workshop for NGOs	March 20 - 21
Mastering Competitive Strategy and Blue Ocean Strategy	May 15 - 18
Leading a Sustainable Business	June 1 - 2
Driving Strategic Innovation and Business Development	July 3 - 5
Executing Sustainable Strategy	October 9 - 10

## GENERAL INFO

### PROGRAMME VENUE:

Km 22, Lekki-Epe Expressway, Ajah, Lagos

### TIME:

9.00 a.m. - 5.00 p.m.

**PRIOR REGISTRATION** is mandatory to secure a place on the seminar.

### RESERVATIONS / ADDITIONAL INFORMATION

Reservations/Additional Information:  
Euse Ajagbar: 07018407708  
Ariana Mokuwe: 07060307052  
execed@lbs.edu.ng

### Discounts (only one category applicable)

10% off	For 5 or more nominees from the same company
	For nominee on Corporate Partner Programme
15% off	For individuals who pay at least 6 weeks ahead of scheduled seminar
	Financial members of LBS Alumni Association

Download detailed calendar from our website [www.lbs.edu.ng](http://www.lbs.edu.ng)



Lagos Business School is ranked with the world's top business schools in open enrolment executive education (2007-2016) and custom executive education (2015-2016). *Financial Times*, London.

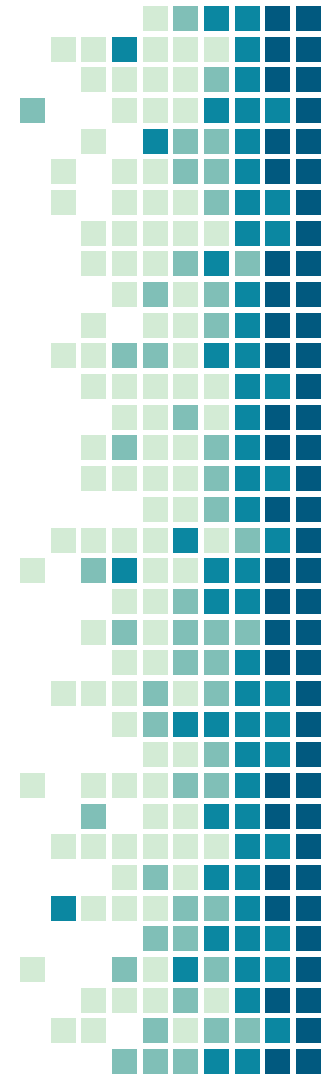


# September Outlook



# SEPTEMBER OUTLOOK

- Inflation to decline slightly again
- Stock market to slide towards N12trn and correction
- Govt will announce new proposed increased excise duties
- Deadlock with ASUU and resident doctors will be resolved
- At astronomical costs to the FGN
- Minimum wage deadlock likely and talks will continue



# SEPTEMBER OUTLOOK

- The naira will weaken marginally towards N370/\$-N372/\$
- CBN will reduce its forward contracts because airlines now at NAFEX window
- FGN likely to fire most PDP appointees in MDA
- To allow for compensation of APC loyalists
- Unemployment data will disappoint in October
- MPC unlikely to make changes but T/Bill rates will decline in September towards 15%p.a.



# CORPORATE HUMOUR



The longer the title, the less important the job – George McGovern

If you think your boss is stupid, remember : you would not have a job if he was any smarter  
- John Gotti



# CORPORATE HUMOUR



She has the answer to everything and the solution to nothing – Oscar Levant

Bills travel through the mail at twice the speed of cheques  
- Steven Wright



# CORPORATE HUMOUR



You can be young without  
money but you can't be old  
without it  
– Tennessee William

Love has no eyes,  
But love is not blind  
Love sees but doesn't mind  
- *Unknown*



# CORPORATE HUMOUR



When you stop chasing the wrong things, you give the right things a chance to catch you. - *Lolly Daskal*

Love is all fun and games until someone gets pregnant  
- *Jim Cole*



# CORPORATE HUMOUR



It is better to be looked over  
than to be overlooked  
- *Mae West*

I would rather be a beggar  
and single than a queen and  
married - *Elizabeth I.*



# CORPORATE HUMOUR



American football is violence  
punctuated by committee  
meetings - *George Will*

There are three kinds of lies :  
lies, damned lies and statistics  
- *Benjamin Disraeli*



# CORPORATE HUMOUR



When you have a smart  
phone problem – when  
all else fails read the  
instructions

Inside every old person is a  
young person wondering what  
happened - Unknown



# CORPORATE HUMOUR



Life is divided into the horrible  
and the miserable  
- *Woody Allen*

Adolescence is the stage  
between infancy and adultery  
- *Unknown*





# CORPORATE HUMOUR



Democracy is being allowed  
to vote for the candidate you  
dislike the least  
- *Robert Byrne*

*Thank  
you*





Bismarek J. Rewang, MD/CEO  
Financial Derivatives Company Ltd.  
Lagos, Nigeria  
01-7739889