Global recession watch

APRIL6, 2009 VOLUME 2, ISSUE 2

A daily monitor of developments of the global economic recession prepared by the Monetary Policy Department, Central Bank of Nigeria

AFRICA:

a) African Leaders Seek $7 Billion to Boost Trade and Transport Links

African leaders are meeting today, April 6, 2009 to push ahead with a plan to invest $7 billion in transport links between southern and central Africa. Zambian President Rupiah Banda, Rwanda's Paul Kagame, Kenya's Mwai Kibaki and Uganda's Yoweri Museveni are meeting in Lusaka today to canvass funding for the North-South Corridor project aimed at boosting trade flows and improving economic growth.

According to the meeting's agenda, World Trade Organization Secretary General Pascal Lamy would also be in attendance. "The program is ready," John Donovan, program manager of the South African-based Regional Trade Facilitation Program, stated in an interview in Lusaka yesterday. "Work can start now if the funding is available."

Southern Africa needs $800 million for the rehabilitation of rail-wagons, locomotives and sections of railway in Tanzania, Zambia, Botswana and Zimbabwe, according to the North-South Corridor, while more than $450 million is needed to upgrade the main Dar es Salaam port in Tanzania. The project intends to revamp 8,646 kilometers (5,374 miles) of highway, halve waiting times at border posts and cut the cost of moving goods by $50 million a year.

The corridor project, a pilot under the Aid for Trade program, will prioritize routes from the Dar es Salaam port with the Copper-belt in Zambia and the Democratic Republic of Congo; and routes from the Copper-belt to South Africa's ports. The project will seek aid, loans or investment and encourage the full or partial sale of state-owned companies to private investors, Donovan stated. It will start an investment fund for regional infrastructure, work to harmonize customs procedures between countries and aim to slash the length of time it takes to cross borders at a cost of $20.4 million over the next five years, he added.

Source: Bloomberg.com, April 6, 2009

b) Malawi to Deport Tobacco Buyers if Prices Don't Rise

Malawi President Bingu wa Mutharika has threatened to deport buyers of tobacco leaf if prices do not improve by April 15, 2009. Malawi is Africa's largest producer of burley tobacco. Tobacco is currently being sold below government-mandated prices, he stated during a speech in the northern city of Mzuzu yesterday. Mutharika has ordered buyers to pay at least $2.15 a kilogram (2.2 pounds) for burley and $3.09 a kilogram for flue-cured tobacco. "I engaged the buyers before I set the prices and they agreed to it," he said. "I have given them a grace period of up until April 15 and if the prices don't improve, I will deport them."

Malawi's government started setting minimum prices for the various grades of tobacco two years ago after it accused merchants of putting farmers out of business. Dealers denied that they underpaid farmers. Tobacco accounts for 60 percent of Malawi's export earnings.

Source: Bloomberg.com, April 6, 2009

Highlights

- Africa: African Leaders Seek $7 Billion to Boost Trade and Transport Links
- Middle East: Gulf Single Currency is Latest Casualty of Global Financial Crisis
- Asia: Yen Drops to 5-Month Low as Stock Gains Spur Demand for Yield
- America: U.S. Stocks Slide on Banking Concern
- Europe: Brown Will Direct Heads of Financial Regulatory Authorities to Implement G-20 Plan in Britain
- BRIC Countries: Russian Inflation Rate Hits Five-Month High on Import Prices

MIDDLE EAST:

Gulf Single Currency is Latest Casualty of Global Financial Crisis

The global financial crisis appears to have claimed a new casualty: the Persian Gulf dream of creating a common Arab market in the next few years with its currency modeled after the European Union. Gulf central bankers met today, April 6, 2009 in Muscat, Oman to discuss plans to create a unified currency, a vision whose near-term prospects are in doubt as the oil-rich states draw up their own plans to deal with the impact of crude prices that have tumbled almost 70 percent from their highs.

The six-nation Gulf Cooperation Council last month dropped its January 1, 2010 deadline for a common currency. "All attention is now focused on the global financial crisis," stated Eckart Woertz, an analyst with the Dubai-based Gulf Research Center. "It's important to develop a greater degree of unity to go down the path of monetary union. Now it's every man for himself."

The failure to advance with the single currency prevents the Gulf Arab states from pursuing a monetary policy that is independent of the U.S., as all except for Kuwait peg their currencies to the dollar. It also marks a setback for efforts to create a fully integrated economic zone. Since the global financial crisis began, the United Arab Emirates and Kuwait have guaranteed deposits while Saudi Arabia, the largest Arab economy, has cut interest rates five times since October. Bahrain in March reduced its reserve requirements for commercial banks, following similar moves by Saudi Arabia and Oman last year.

In the meantime, Saudi Arabia plans to spend $400 billion on infrastructure to support its economy in the next five years while the U.A.E. and Kuwait are bolstering financial institutions. "Even before the economic crisis deepened, monetary union in the near future was seen as unlikely," said Simon Williams, chief economist at HSBC Holdings Plc in Dubai. "It now has to compete for attention with the impact of the global downturn on the Gulf - issues that are being dealt with at a national level rather than a regional basis."

Saudi Arabia, Kuwait, Bahrain, Qatar, the United Arab Emirates and Oman agreed in 2001 to form a European Union-style monetary union by 2010 to boost regional trade. Oman pulled out in 2007. Pressure to unify mounted last year as inflation accelerated above 10 percent in five of the six countries. All of the member states except Kuwait tend to follow the U.S. Federal Reserve when setting interest rates because of their dollar peg. This fueled price rises last year because of the need to match cuts in U.S. interest rates at a time when inflationary pressures were increasing.

On December 30, 2008 the five Gulf Arab leaders confirmed an agreement to set up a single currency and agreed to establish a Monetary Council, a precursor to a central bank, by December 12, 2009. That timetable has since been postponed. With inflation now easing as commodity prices fall, the urgency to stop pegging the currencies to the dollar has subsided.

Saudi central bank Governor Mohammad al-Jasser stated March 25 that monetary stability was "essential" in the current environment and expressed confidence in the dollar peg that his country adopted in 1986. Saudi inflation slowed to 6.9 percent in February, a one- year low, as global commodity prices fell. Inflation in the United Arab Emirates may ease to between 5 percent and 8 percent this year as the global credit crunch reduces commodity and real-estate prices, Minister of Economy, Sultan Bin Saeed al- Mansouri, said March 9.

There won't be a new timetable for monetary union until the countries establish a Monetary Council, said Nasser Al-Kaud, GCC deputy assistant general for economic affairs. "There is no definite timetable for that," he observed from Riyadh. Al-Jasser on March 25 cautioned against attempts to rush into monetary union, saying member states needed more time to prepare. "It took the European Union 45 years" to put together a single currency, al-Jasser told a GCC banking conference in Manama, Bahrain.

Woertz observed that the "earliest possible date" for the introduction of the single currency is 2012, noting that the countries haven't even been able to agree on where the central bank will be located. The root cause of the delays is an absence of political will, observed John Sfakianakis, chief economist at Saudi British Bank, in a Bloomberg Television interview on April 1. "The technical issues are not the ones creating the obstacles - it's the politics," he stated .

Source: Bloomberg.com, April 6, 2009

"IT NOW HAS TO COMPETE FOR ATTENTION WITH THE IMPACT OF THE GLOBAL DOWNTURN ON THE GULF - ISSUES THAT ARE BEING DEALT WITH AT A NATIONAL LEVEL RATHER THAN A REGIONAL BASIS."

ASIA:

Yen Drops to 5-Month Low as Stock Gains Spur Demand for Yield

The Japanese yen declined to a five-month low against the dollar and the euro as stocks rallied on speculation the global financial crisis is easing, damping demand for the currency as a refuge. The yen fell against all of the 16 most-actively traded currencies, sliding against New Zealand's dollar to the lowest since November, on expectations Federal Reserve Governor Kevin Warsh will signal today(Monday, April 06, 2009) credit markets are thawing. The euro rose to a one-week high against the dollar on optimism a European Central Bank official will indicate slower rate cuts.

Commentators think there is a silver lining in the global turmoil in the not too distant future. "There's a sense the global turmoil is easing, which is improving risk taking appetite," observed Hideki Amikura, deputy general manager of foreign exchange in Tokyo at Nomura Trust and Banking Co., a unit of Japan's largest brokerage. "This means the yen will likely weaken and currencies such as the euro and the pound will probably strengthen" in coming days, he concluded.

New Zealand's dollar rose as high as 60.35 yen, the strongest since November 5, from 58.76 yen. Australia's dollar strengthened to as much as 72.75 yen, the highest level since October 14, from 71.75 yen." The yen is the primary victim of wide-spread optimism about the global economy," stated Tomohiro Nishida, a currency dealer at Chuo Mitsui Trust & Banking Co. "The dollar also took a hit from the same development." The yen lost more than 7 percent against the euro since the start of this year.

Financial Times April 2, 2009

"CONCERN ABOUT THE CONDITION OF THE FINANCIAL SYSTEM WILL BE HERE FOR A WHILE, AT LEAST FOR THE REST OF THE YEAR".

AMERICA:

U.S. Stocks Slide on Banking Concern

U.S. stocks fell for the first time in five days as Mike Mayo, analyst at Calyon Securities, advised selling bank shares and International Business Machines Corp.'s purchase of Sun Microsystems Inc. collapsed. U.S. Bancorp and SunTrust Banks Inc. slid at least 5 percent as Mayo stated that government measures to shore up banks may not help as much as expected and loan losses will exceed levels from the Great Depression.

Sun Microsystems sank 22 percent as people familiar with the matter observed that talks with IBM fell apart. U.S. Steel Corp. and AK Steel Holding Corp. lost at least 4.8 percent as metals fell on concern over the slumping economy. As noted by Stanley Nabi, vice chairman of Silvercrest Asset Management Group, "Concern about the condition of the financial system will be here for a while, at least for the rest of the year". The Standard & Poor's 500 Index retreated 1.5 percent to 829.56, while the Dow Jones Industrial Average slipped 99.8, or 1.2 percent, to 7,917.79. The MSCI World Index of 23 developed nations lost 1.2 percent.

U.S. stocks capped a fourth straight week of gains on April 3, the longest stretch since the bear market began in 2007, as the economy showed signs of improvement and the Group of 20 world leaders agreed on measures to halt the recession. The S&P 500 Index has rebounded 23 percent from a 12-year low on March 9. Europe's Dow Jones Stoxx 600 Index declined 1.1 percent, erasing a 1.9 percent advance, after Morgan Stanley cut the region's stocks to "underweight" from "neutral." The MSCI Asia Pacific Index climbed 0.5 percent.

Source: Bloomberg.com, April 6, 2009

EUROPE:

a) Brown Will Direct Heads of Financial Regulatory Authorities to Implement G-20 Plan in Britain

Prime Minister Gordon Brown will meet with Bank of England Governor Mervyn King today to discuss how the U.K. would implement the new financial rules laid out by leaders of the Group of 20 nations last week. Financial Services Authority Chairman Adair Turner, Chancellor of the Exchequer Alistair Darling and Trade Minister Mervyn Davies will also attend, a spokeswoman for Brown said. He also plans to meet with commercial bank executives. "Our first priority" is "getting the economy onto a growth path, recognizing that it's a global recession and that we have got to cooperate with other countries," Brown said yesterday on Sky News television. "I am going to call the banks in, and the governor of the Bank of England is coming to see me on Monday." World leaders including President Barack Obama and China's Hu Jintao agreed to impose tighter controls on banks and hedge funds and to require institutions to set money aside for bad times. Brown, who enjoyed a popularity boost in a poll conducted after he hosted the summit in London, wants to act on the G-20 promises to help curtail the recession in the U.K. Support for Brown's Labour Party gained three points to 31 percent in a YouGov Plc poll conducted in the two days following the G-20 summit. That narrowed the Conservative opposition's lead over Labour to seven points, the least in three months.

Brown also wants to prod commercial banks into returning lending to 2007 levels. Banks are writing about a third of the mortgages they approved each month two years ago even after tapping the government for 40 billion pounds ($59 billion) of support, according to Bank of England data. "Credit availability remains poor, bank assets continue to shrink and housing activity is still very weak," Michael Saunders, chief Western European economist for Citigroup Inc., wrote in a note to clients on April 3. "The conditions for recovery are not yet in place." Brown sees the G-20 regulatory overhaul as necessary to restoring people's confidence in the banking system and a step toward reassuring businesses about the availability of credit, the prime minister's spokeswoman stated. The prime minister will also write to the U.K.'s overseas territories and crown dependencies, urging them to open now-secret tax arrangements to scrutiny in line with G-20 demands, the spokeswoman added .

Source: Bloomberg.com, April 6, 2009

"WHEN YOU'VE REACHED HISTORICALLY VERY LOW LEVELS OF INTEREST RATES" YOU HAVE TO "CONSIDER ALL THE OPTIONS," STATED BONELLO.

b) ECB Chiefs Signal New Tools for Euro Zone

European Central Bank officials indicated they may use new tools to bolster the economy as finance chiefs defending efforts to stem the worst recession since World War II failed to agree on an overhaul of banking supervision. The ECB is studying what else it can do to revive lending and economic growth as interest rates approach a floor, council members Guy Quaden and Michael Bonello told Bloomberg News in Prague. "There is still room for manoeuver and I confirm also that we are reflecting on other possible measures," Quaden said. "When you've reached historically very low levels of interest rates" you have to "consider all the options," stated Bonello.

Central bankers and finance chiefs from the 27 European Union countries, who met in Prague on April 3 and April 4, were unable to push through a plan that would give the ECB greater power in banking supervision, illustrating the difficulties Europe faces as it tries to step up its response to the global financial crisis. The lack of a single treasury in the 16-nation euro region also restricts the options available to the ECB once it exhausts its leeway with borrowing costs.

Belgian central banker Quaden reiterated the ECB can still lower its benchmark rate further from 1.25 percent. Still, President Jean-Claude Trichet last week indicated 1 percent may be the floor and said a decision on new measures will come next month. The ECB is lagging counterparts such as the U.S. Federal Reserve, the Bank of England and the Bank of Japan, which have cut their key rates to almost zero and are pumping money into their economies by buying government and company securities.

Without a treasury to indemnify the ECB against the losses it might incur buying risky assets, some policy makers are reluctant to follow suit. Other options under discussion include offering banks longer-term loans to ease liquidity concerns.

continued on page 4...

BRIC:

a) Brazilian Stock Market Has Second Month of Foreign Net Inflow

Brazil's stock market had a second month of net foreign inflow amid speculation that demand for the country's commodities is improving. Foreign investors bought 1.4 billion reais ($632 million) more than they sold in stocks last month, exchange owner BM&FBovespa SA said in a statement on its Web site. That followed 544 million reals of net inflow in February after investors withdrew more than 25 billion reais during the prior eight months.

The benchmark Bovespa index gained 7.2 percent in March, capping the biggest quarterly advance since 2007, as higher metal prices and the prospect of lower interest rates spurred gains for steelmakers, homebuilders and retailers. The measure plunged 41 percent last year, the most ever.

Foreign investors bought 30.9 billion reais of stock and sold about 29.5 billion reais in March, the first time volumes bought or sold rose above 30 billion reais since October. With the March inflow, investors so far this year have invested more money in Brazil than they took out. The balance was negative in 2007 and 2008 .

Source: Bloomberg, April 6, 2009

b) Russian Inflation Rate Hits Five-Month High on Import Prices

"WE NEED TO BE CONSCIOUS OF THE NEED TO DO BOTH MONETARY POLICY AND FISCAL POLICY RESPONSIBLY KEEPING IN VIEW BOTH SHORT TERM COMPULSIONS AND LONG TERM SUSTAINABILITY"

Russia's inflation rate rose to a five-month high in March as the weaker ruble nudged up import prices. The rate rose to 14 percent from 13.9 percent in February, the Moscow-based Federal Statistics Service stated in a statement today. That matched the median forecast of 15 economists surveyed by Bloomberg. Consumer prices grew 1.3 percent in the month, compared with 1.7 percent in February.

Inflation was spurred at the start of the year by the weakening ruble, which pushed up import prices, helping the annual rate jump to 13.9 percent in February from 13.4 the month before. Russia was forced to abandon its defense of the ruble after the price of oil, the government's biggest export earner, tumbled more than two-thirds from a July record in less than six months. The ruble has lost 29 percent against the dollar since August.

Central Bank chairman Sergei Ignatiev last week said that inflation could slow to less than 13 percent this year as the cost of raw materials, fuel and food decline and the impact of the ruble devaluation on imported goods ebbs. Russia's inflation rate was as high as 15.1 percent last June. Food prices gained an annual 15.8 percent in March, the statistics service stated.

Source: Bloomberg, April 6, 2009

c) India's Response to Be 'Tailored' to Shield Growth

India's central bank said its policy response will be "tailored" to arrest a steeper-than-estimated moderation in growth as it has done "everything" the economy needed so far. The global recession will lead to exports slowing and inflows of foreign funds shrinking, resulting in a widening of the current-account deficit, Reserve Bank of India Governor Duvvuri Subbarao said in Mumbai today. "We need to be conscious of the need to do both monetary policy and fiscal policy responsibly keeping in view both short term compulsions and long term sustainability," Subbarao told an industry group. "I believe we have done everything that the economy needs and the economy wants."

Prime Minister Manmohan Singh's government has cut taxes on consumer goods and services to help companies fight slowing demand and minimize job cuts. Subbarao, who has lowered interest rates five times since October, said the new government in May needs to take initiatives to pass on the benefits of policy rate cuts to industry through the banking system.

Declining overseas orders and shrinking local demand caused Indian growth to slow for a third straight quarter in the three months to Dec. 31, when the $1.2 trillion economy expanded 5.3 percent from a year earlier. Banks' lending rates to industry have not fallen in line with policy rates due to different interest paid on bank deposits and small savings administered by the government of India, Subbarao noted. "Lending rates have come down, but not as much as warranted by the policy rates," he said. "There are some issues that can be addressed by the new government such as the adjustment on small savings. Small savings and bank rates have to be comparable.

Source: Bloomberg, April 6, 2009

BRIC continued ...

d) China Manufacturing Expands First Time in 6 Months

China's manufacturing expanded for the first time in six months, spurred by the government's 4 trillion yuan ($585 billion) stimulus package. The Purchasing Manager's Index rose to a seasonally adjusted 52.4 in March from 49 in February, the Federation of Logistics and Purchasing said today in Beijing in a statement. A reading above 50 indicates an expansion.

The expansion may help President Hu Jintao achieve his target of 8 percent economic growth for the world's third- biggest economy. The report comes as he attends a Group of 20 Summit in London where world leaders discussed remedies for the worst global recession since World War II. Hu's stimulus package already triggered jumps in urban investment and loan growth in the first two months of this year. "China will see a solid economic recovery from March as the impact of the stimulus package becomes larger over time," said Sun Mingchun, an economist at Nomura Securities in Hong Kong.

The economy may expand as much as 10 percent in the fourth quarter of this year, he said. China's stocks rose to a seven-month high today on speculation banks and companies will increase their earnings in the second quarter as economic growth responds to the stimulus. The Shanghai Composite Index rose 17.27, or 0.7 percent, to 2,425.29 at the close of trading .

Source: Bloomberg.com, April 6, 2009

EUROPE MAY BE SLIDING DEEPER INTO RECESSION AS THE GLOBAL SLOWDOWN, TRIGGERED BY THE U.S. HOUSING SLUMP, ERODES EXPORT DEMAND AND FORCES COMPANIES TO CURB PRODUCTION AND FIRE WORKERS.

continued from page 4

ECB Chiefs Signal New Tools for Euro Zone

The U.K. resisted a push for the ECB to run a committee that will monitor economic risks in the 27-nation bloc. Britain also rejected a plan to give new EU agencies the authority to overrule national banking and insurance regulators. "We need a common front," French Finance Minister Christine Lagarde told reporters during the meeting.
Dutch State Secretary of Finance Jan Kees Jager noted: "We hope that in the next couple of weeks these hesitations will be overcome." Ministers also said it is "critical" that convergence on accounting standards is reached on the continent to ensure that the region's banks are not placed at a disadvantage against U.S. competitors. The International Accounting Standards Board, which writes the rules used in Europe, must cooperate with the U.S. Financial Accounting Standards Board, the ministers said in a statement on April 4. A goal is to avoid "competitive distortions," they said.
Europe may be sliding deeper into recession as the global slowdown, triggered by the U.S. housing slump, erodes export demand and forces companies to curb production and fire workers. The Organization for Economic Cooperation and Development said last week it expects the euro-area economy to contract 4.1 percent this year. A surge in unemployment is crushing consumer confidence and prompting strikes and protests from the U.K. to Latvia, with some French workers holding their bosses hostage. "Employment is being destroyed because of the crisis," stated EU Monetary Affairs Commissioner Joaquin Almunia. "We are dealing with the social consequences of the crisis not only at the national but at the European level." The EU will meet with workers and business representatives in May to discuss these issues.
The ECB has reduced interest rates by 3 percentage points since early October. Bonello, who heads Malta's central bank, said the ECB has already done a lot to help the ailing economy .

Source: Bloomberg.com, April 6,

Table 1: Stock Market Indices In OECD, Non-OECD and African Countries

STOCK MARKET INDICES

OECD COUNTRIES	INDEX	End-2007	End-2008	6-Apr-2009	% Change End-Dec 2007 - 2008	% Change End-Dec 2008 - 6 Apr-2009	% Change End-Dec 2007 - 6 Apr-2009
AUSTRALIA	S&P/ASX 200 Index	6,339.90	3,722.30	3,756.60	-41.3	0.9	-40.7
AUSTRIA	Austrian Traded ATX Index	4,512.98	1,750.83	1,803.06	-61.2	3.0	-60.0
BELGIUM	Bel 20 Index	4,147.19	1,908.64	1,800.15	-54.0	-5.7	-56.6
CANADA	S&P/TSX Composite Index	13,833.06	8,987.70	8,948.64	-35.0	-0.4	-35.3
CZECH REPUBLIC	Prague Stock Exchange Index	1,818.20	867.60	814.20	-52.3	-6.2	-55.2
DENMARK	OMX Copenhagen 20	460.53	247.02	243.51	-46.4	-1.4	-47.1
FINLAND	OMX Helsinki Index	11,598.42	5,403.52	4,948.90	-53.4	-8.4	-57.3
FRANCE	CAC40	5,627.48	3,217.13	2,929.75	-42.8	-8.9	-47.9
GERMANY	DAX	8,038.60	4,704.86	4,349.81	-41.5	-7.5	-45.9
GREECE	Athex Composite Share Pr	5,152.16	1,786.51	1,741.41	-65.3	-2.5	-66.2
HUNGARY	Budapest Stock Exchange Index	26,235.63	12,241.69	12,126.64	-53.3	-0.9	-53.8
ICELAND	OMX Iceland All-Share PR	5,803.35	581.76	379.19	-90.0	-34.8	-93.5
IRELAND	Irish Overall Index	6,934.35	2,343.27	2,300.98	-66.2	-1.8	-66.8
ITALY	Milan MIB30 Index	38,885.00	20,064.00	17,489.00	-48.4	-12.8	-55.0
JAPAN	NIKKEI 225	15,307.78	8,859.56	8,857.93	-42.1	0.0	-42.1
KOREA	KRX 100 Index	3,864.01	2,373.06	2,730.36	-38.6	15.1	-29.3
LUXEMBOURG	LuxX Index	2,419.28	961.13	918.39	-60.3	-4.4	-62.0
MEXICO	Bolsa	29,536.83	22,392.38	20,741.44	-24.2	-7.4	-29.8
NETHERLANDS	AEX Index	515.69	240.81	228.85	-53.3	-5.0	-55.6
NEW ZEALAND	NZX 50 FF Gross Index	4,041.38	2,715.71	2,633.44	-32.8	-3.0	-34.8
NORWAY	OBX Stock Index	419.65	194.33	207.67	-53.7	6.9	-50.5
POLAND	WSE WIG Index	55,648.54	27,228.64	26,410.72	-51.1	-3.0	-52.5
PORTUGAL	PSI General Index	4,130.47	2,073.59	2,173.47	-49.8	4.8	-47.4
SLOVAK REPUBLIC	Slovak Share Index	445.65	359.18	336.09	-19.4	-6.4	-24.6
SPAIN	IBEX 35 Index	15,182.30	9,017.70	8,321.10	-40.6	-7.7	-45.2
SWEDEN	OMX Stockholm 30 Index	1,081.44	662.33	709.57	-38.8	7.1	-34.4
SWITZERLAND	Swiss Market Index	8,518.19	5,534.53	5,002.08	-35.0	-9.6	-41.3
TURKEY	ISE National 100 Index	55,538.13	26,864.07	26,650.66	-51.6	-0.8	-52.0
UNITED KINGDOM	FTSE 100	6,456.90	4,319.35	3,993.54	-33.1	-7.5	-38.2
UNITED STATES	S&P 500	1,465.13	903.00	826.67	-38.4	-8.5	-43.6
NON-OECD COUNTRIES							
INDONESIA	Jakarta Composite Index	2,745.83	1,355.41	1,516.64	-50.6	11.9	-44.8
KUWAIT	Kuwait SE Weighted Index	713.04	421.21	391.22	-40.9	-7.1	-45.1
QATAR	DSM 20 Index	9,697.51	6,788.69	5,164.14	-30.0	-23.9	-46.7
SAUDI ARABIA	Tadawul All-Share Index	11,038.66	4,791.27	5,082.54	-56.6	6.1	-54.0
UAE	DFM General	5,931.95	1,636.29	1,620.60	-72.4	-1.0	-72.7
VENEZUELA	Venezuela Stock Market Index	37,715.80	35,090.08	44,254.03	-7.0	26.1	17.3
ARGENTINA	Merval Index	2,168.23	1,079.66	1,175.64	-50.2	8.9	-45.8
BRAZIL	Bovespa	63,886.10	37,060.16	43,560.90	-42.0	17.5	-31.8
CHINA	Shanghai SE A Index	5,571.34	1,911.80	2,539.90	-65.7	32.9	-54.4
COLOMBIA	IGBC General	10,681.34	7,560.68	8,133.78	-29.2	7.6	-23.9
INDIA	BSE Sensex 30 Index	20,286.99	9,716.16	10,534.87	-52.1	8.4	-48.1
MALAYSIA	Kuala Lumpur Comp Index	1,447.04	881.63	923.77	-39.1	4.8	-36.2
OMAN	MSM 30 Index	9,035.46	5,441.12	4,759.66	-39.8	-12.5	-47.3
RUSSIA	Micex Index	1,888.86	619.53	836.09	-67.2	35.0	-55.7
AFRICAN COUNTRIES							
BOTSWANA	Botswana Gaborone Index	8,421.63	7,035.50	6,401.56	-16.5	-9.0	-24.0
EGYPT	EGX Case 30 Index	10,549.74	4,596.49	4,816.65	-56.4	4.8	-54.3
GHANA	GSE Index	6,599.00	10,428.34	9,024.23	58.0	-13.5	36.8
KENYA	Kenya Stock Exchange NS Index	5,444.83	3,459.97	2,833.14	-36.5	-18.1	-48.0
NIGERIA	NSE All-Share Index	57,990.22	31,450.78	19,962.57	-45.8	-36.5	-65.6
MAURITIOUS	Mauritious Stock Exchange	1,843.56	1,182.75	1,127.55	-35.8	-4.7	-38.8
SOUTH AFRICA	FTSE/JSE Africa All-Share	28,957.97	21,509.19	20,717.37	-25.7	-3.7	-28.5

Source: Bloomberg

Table 2: DEPRECIATION OF EXCHANGE RATES VIS A VIS US DOLLAR (END-PERIODS) - % CHANGE > 15%

COMPARATIVE EXCHANGE RATES (Currency Units Per US$) - % Change

CATEGORY	COUNTRY	CURRENCY	31-Dec-07	6-Apr-09	YTD % Change
OECD COUNTRIES	AUSTRALIA	Dollar	1.13430	1.39353	-18.60
	CANADA	Dollar	0.98810	1.24290	-20.50
	HUNGARY	Forint	172.91800	216.38000	-20.09
	ICELAND	Krona	62.00000	120.00000	-48.33
	KOREA	Won	938.20000	1,332.60000	-29.60
	MEXICO	Peso	10.91570	13.65224	-20.04
	NEW ZEALAND	Dollar	1.29190	1.68919	-23.52
	NORWAY	Krone	5.41100	6.50930	-16.87
	POLAND	Zloty	2.43500	3.26150	-25.34
	SWEDEN	Krona	6.44150	7.89250	-18.38
	TURKEY	Lira	1.17780	1.59674	-26.24
	UNITED KINGDOM	Pound Sterling	0.49920	0.67069	-25.57
NON-OECD COUNTRIES	INDONESIA	Rupiah	9,385.80000	11,345.00000	-17.27
	RUSSIA	Ruble	24.54620	33.17430	-26.01
	BRAZIL	Reals	1.77050	2.22782	-20.53
	INDIA	Rupee	39.41000	50.00000	-21.18
	ARGENTINA	Peso	3.15003	3.72237	-15.38
	KAZAKHSTAN	Tenge	120.30000	151.01000	-20.34
AFRICAN COUNTRIES	KENYA	Shilling	63.97007	79.94000	-19.98
	ZAMBIA	Kwacha	3,900.15000	5,700.00000	-31.58
	SOUTH AFRICA	Rand	6.81000	8.99000	-24.25
	BOTSWANA	Pula	6.28472	7.46826	-15.85
	GHANA	New Cedi	0.99620	1.41496	-29.60
	MAURITIUS	Rupee	28.21620	33.25000	-15.14
	NIGERIA	**Naira**	**117.80000**	**147.15700**	**-19.95**

Sources: 1. IMF International Financial Statistics, http://www.imf.org/external/np/fin/data/rms_mth.asp
2. Exchange-rates.org, http://exchange-rates.org/currentRates/A/USD
3. Google Country Currency Converter, http://www.oanda.com/convert/fxdaily
4. TED, CBN

Notes: 1.Depreciation (-). Appreciation (+)
2.*Euro Area:- Recorded 9.69% depreciation
3. **UEMOA Countires:- Recorded 7.77% depreciation