

Nigeria in gas supply deal with EU **-page 39**PENGASSAN calls for revocation of new DISCOs licenses **-page 40**AGF blames NAssembly over delay in implementation of audited Federation Accounts **-page 40**

Business WEEK

MONEY | COMPANY | TECHNOLOGY | INTERVIEW | MANAGEMENT | STOCKS



We're poised to restore Nigeria's capital market to global limelight

- Arunma Oteh

-SEE PAGE 27

CROSS RATES

NAME OF CURRENCY	BUYING	CENTRAL	SELLING
US DOLLAR	154.73	155.23	155.73
POUNDS STERLING	260.3023	261.1434	261.9846
EURO	209.3497	210.0262	210.7027
SWISS FRANC	171.9795	172.5353	173.091
YEN	1.5153	1.5202	1.5251
CFA	0.3006	0.3106	0.3206
WAUA	237.1011	237.8673	238.6335
YUAN/RENMINBI	24.8773	24.9581	25.039
RIYAL	41.2536	41.3869	41.5202
DANISH KRONA	28.0588	28.1494	28.2401
SDR	237.8664	238.6351	239.4037

Official exchange rates as at 12/06/2014

TENOR	RATE (%)	DATE
1M	8.9647	12/06/2014
2M	10.4466	12/06/2014
3M	10.9108	12/06/2014
6M	11.0720	12/06/2014
9M	11.3086	12/06/2014
12M	11.9971	12/06/2014

Source: FMDA

FG earns over N669bn from privatising public enterprises, says BPE

FROM ISAAC ANUMIHE, ABUJA

Federal Government has grossed over N669 billion from privatising public enterprises since 1999 till date.

Speaking while delivering a lecture on the Federal Government's privatisation and Economic Reform Programme at the Annual Lecture of "Just Friends Club of Nigeria" in Abuja, Director-General, Bureau of Public Enterprises (BPE), Mr. Benjamin Dikiki, said this amount was from the 122 enterprises it had privatised from 1999 to 2012, as well as the money so far generated from the privatisation of

-SEE PAGE 26

Capacity challenges worry capital market community

REBASED GDP

By OMODELE ADIGUN

Unless the nation's bourse comes up with more products

and instruments to absorb the expected investment inflow from the rebased GDP, the benefits of being Africa's biggest economy may elude the Nigerian capital market as fears are rife that its new status may have whittled down its total capitalisation. These are the views of analysts examining the prospects and challenges of the jumbo size economy to the market.

Looking at the issue from rose-coloured spectacles, Mr. Ayio Olukshekan, the immediate past president of the Chartered Institute of Stockbrokers (CIS), said the rebased GDP has opened a new vista about Nigeria to global investors who are now eager to explore the huge opportunities in the economy. This, he said, would in turn, rub off on the market capitalisation of the Nigerian

Stock Exchange (NSE), which its CEO, Mr. Oscar Onyema, said is hovering between 16 and 20 per cent of the \$509.9 billion new GDP.

Hear him: "The impact of the rebasing would be positive for the market in many ways. It has changed the picture of Nigeria to investors, both local and foreign. The people can now see the huge opportunities available in the economy and they will take advantage of them. As investors come in, we stand the chance of attracting the \$1 trillion market capitalisation target set by the Exchange."

But Mr. Mike Ikegbaje, another past president of the institute, was worried that the rebasing has put enormous burden on the operators as it has squeezed the market capitalisation.

His words: "While the GDP rebasing will attract investors and investment, it has, however, resulted in low capitalisation for the market. When the

market capitalisation to GDP is calculated, we will have a problem. We will have a lower market capitalisation unless we can increase the market capitalisation. This means that all of us will have to work harder to ensure that the capitalisation is increased."

Ikegbaje's worry on the decreasing capitalisation echoed that of the Minister of Finance and Coordinating Minister for the Economy, Dr. (Mrs.) Ngozi Okonjo-Iweala, who recently expressed concern that the nation's tax revenue-to-GDP ratio has dropped from 20 to 12 per cent.

The minister said that before the National Bureau of Statistics (NBS) began the rebasing exercise, tax-to-GDP ratio was about 20 per cent, which was not even as good as the 22 per cent target by the country. Non-oil tax revenue-to-GDP ratio was estimated at 7 per cent then. But with the rebasing of the GDP, Nigeria has

-SEE PAGE 26

Photo Speak



L-R: Managing Director/Chief Executive Officer, Guinness Nigeria Plc, Mr. Seni Adeju; British Deputy High Commissioner to Nigeria, Mr. Peter Carter; and United Kingdom Prime Minister's Trade Envoy to Nigeria and Angola, Mr. David Heath during a visit by a UK Trade Delegation to the Ogba Brewery of Guinness Nigeria last week.