

## ECONOMIC REPORT FOR THE MONTH OF NOVEMBER 2002

### 1.0 SUMMARY

Available data indicated deceleration in monetary aggregates in November, 2002. Broad money stock ( $M_2$ ) and narrow money ( $M_1$ ) fell by 4.8 and 7.4 per cent during the month, but grew by 22.4 and 13.7 per cent, respectively, during the first eleven months of the year, as against the maximum targets of 15.3 and 12.4 per cent for fiscal 2002. The fall in monetary aggregates in the review month was driven by the contraction in aggregate bank credit to the domestic economy and other assets (net) of the banking system. Aggregate banking system's credit to the domestic economy fell by 9.2 per cent, during the month, but increased during the first eleven months of the year by 27.3 per cent, compared with the target of 57.9 per cent for the whole year.

Banks' interest rates trended upwards during the month. The spread between banks' weighted average deposit and maximum-lending rates was 16.5 percentage points, while the margin between the average savings deposit and maximum lending rates stood at 24.8 percentage points, down from 25.6 per cent in October 2002. The average inter-bank call rate which stood at 17.1 per cent in October, rose to 17.6 per cent during the month.

The value of money market assets outstanding rose in November 2002 by 11.7 per cent, in contrast to the decline of 0.05 per cent in the preceding month. The rise was attributable to the issuance of additional treasury bills worth ₦66.3 billion as well as the increases of 15.1 and 16.0 per cent in the value of Bankers' Acceptances (BAs) and Commercial Papers (CPs), respectively, during the month. Matured ones worth ₦77.5 billion were rolled over during the month. Developments on the Nigerian Stock

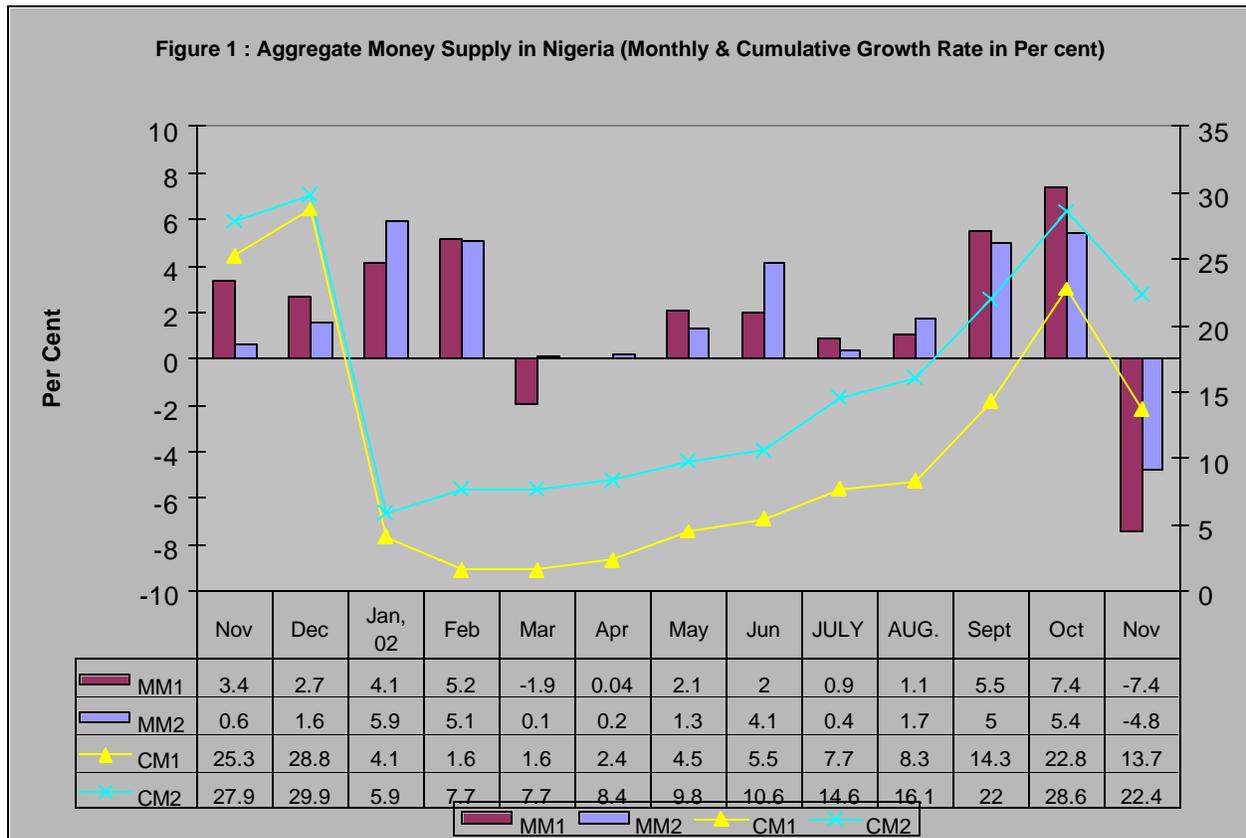
Exchange (NSE) were mixed during the month as the volume and value of traded securities trended downward, while the market capitalization and value index rose.

Agricultural activities during the month were mainly harvesting and processing of grains as well as the preparation of lands and planting of dry season tomatoes and other vegetables mostly in the northern states, while poultry farmers all over the country intensified production for sales during the festive season. Estimated crude oil output, including condensates and natural gas, was 1.94 million barrels per day (mbd) or 58.20 million barrels for the month, representing a decline of 1.1 per cent from the preceding month's level. At 1.49 million barrels per day (mbd) or 44.70 million barrels for the month, estimated crude oil exports indicated a further decline of 1.3 per cent from the level in October 2002, while deliveries of crude oil to refineries for domestic consumption remained at 0.45 mbd or 13.95 million barrels per month. The average price of Nigeria's reference crude, Bonny Light (37°API), at \$24.33 a barrel declined by 13.0 per cent from its level in the preceding month. The price index of Nigeria's major agricultural commodities at the London Commodity Market rose by 0.5 and 86.3 per cent, in dollar terms, over their levels in the preceding and corresponding months of 2001, respectively. Meanwhile, the inflation rate was estimated at 13.5 per cent in November, down from 13.6 per cent in October, 2002.

Data on foreign exchange flows through the Central Bank of Nigeria (CBN) during the month indicated an inflow of US\$775.1 million and outflow of US\$976.5 million, resulting in a net outflow of

US\$201.4 million. Sales of foreign exchange in the official segment of the foreign exchange market amounted to US\$558.8 million, compared with US\$670.3 million in the preceding month. The weighted average exchange rate of the naira vis-à-vis the US dollar depreciated by 0.2

(mbd) below supply, in contrast to an excess demand of 0.14 million mbd recorded in October. Other major international economic developments of relevance to the domestic economy during the month included: the fourth Summit of the authority of Heads of State and



per cent from ₦126.80 per US\$1.00 in October to ₦127.03 per US\$1.00 in November 2002. In the parallel market, the naira, however, appreciated marginally by 0.2 per cent, while the rate in the bureaux de change depreciated from ₦139.17 per dollar in October to ₦139.22 during the month. Nigeria's gross external reserves declined further by 0.06 per cent from its level in October to US\$7,737.1 million as at end-November, 2002.

On the international scene, world crude oil output declined by 0.3 per cent, while estimated demand, at 77.40 million barrels per day (mbd) also dropped by 0.15

Government of the West African Monetary Zone (WAMZ) held in Conakry, Republic of Guinea on November 7, 2002 to consider ways of moving the WAMZ project forward.

## 2.0 FINANCIAL SECTOR DEVELOPMENTS

Monetary aggregates decelerated in November 2002, while banks' interest rates trended upward. Activities on the Nigerian Stock Exchange (NSE) were mixed. The developments in the money market were influenced by the state of banks' liquidity during the month.

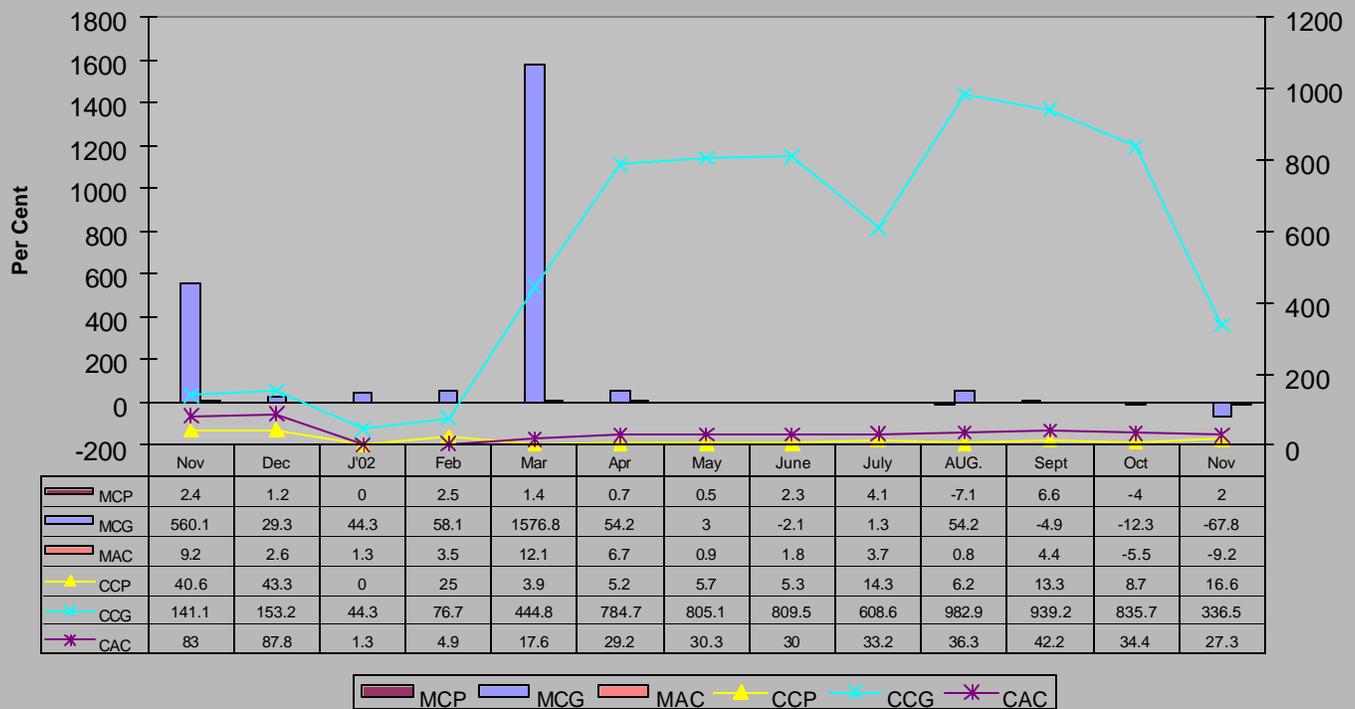
## 2.1 Monetary and Credit Developments

Broad money stock (M2) fell by 4.8 per cent to N1,611.0 billion, in contrast to the increase of 5.4 per cent in October. Similarly, narrow money stock (M1) fell by 7.4 per cent to N928.3 billion, in contrast to the 7.4 per cent increase recorded in October 2002. The fall during the month was attributable to the contraction in banking system's credit to the domestic economy and other assets (net) of the banking system. In the first eleven months of the year, however, M<sub>2</sub> and M<sub>1</sub> grew by 22.4 and 13.7 per cent, respectively, compared with the

compared with a decline of N17.3 billion or 1.5 per cent in the preceding month. The fall was attributable to the decline in banking system's credit to the Federal Government. In the first eleven months of the year, aggregate bank claims on the domestic economy rose by 27.3 per cent, compared with the growth target of 57.9 per cent for the whole year.

Banking system's net claims on the Federal Government also fell by N125.8 billion or 67.8 per cent, compared with the decline of N26.1 billion or 12.3 per cent in the preceding month. The fall in the review

Figure 2: Aggregate Domestic Credit To The Economy (Monthly & Cumulative Growth Rate -Please note that omitted points are outliers)



growth targets of 15.3 and 12.4 per cent for the whole year and 27.9 and 25.3 per cent increases recorded in the corresponding period of 2001 (fig1).

Aggregate bank credit to the domestic economy fell by 9.2 per cent to N1,056.1 billion during the month,

month was accounted for entirely by the decline in deposit money banks' claims on the sector. During the eleven-month period, the Federal Government substantially drew-down on its deposit with the CBN, implying continued injection of liquidity into the banking system.

Bank credit to the private sector credit rose by ₦19.1 billion or 2.0 per cent in November 2002, reflecting the increase in deposit money banks' claims on the sector. During the first eleven months of the year, the banking system's credit to the sector remained sluggish at 16.6 per cent, compared with the growth target of 34.9 per cent for fiscal 2002.

At ₦1,544.2 billion, foreign assets (net) of the banking system rose by ₦44.4 billion or 3.0 per cent, compared with the increase of ₦166.6 billion or 12.5 per cent in the preceding month. The rise was attributable wholly to the increase in deposit money banks' holding. In the first eleven months of the year, the foreign assets (net) of the banking system rose by ₦111.2 billion or 7.8 per cent, compared with the 8.1 per cent increase recorded in the corresponding period of 2001.

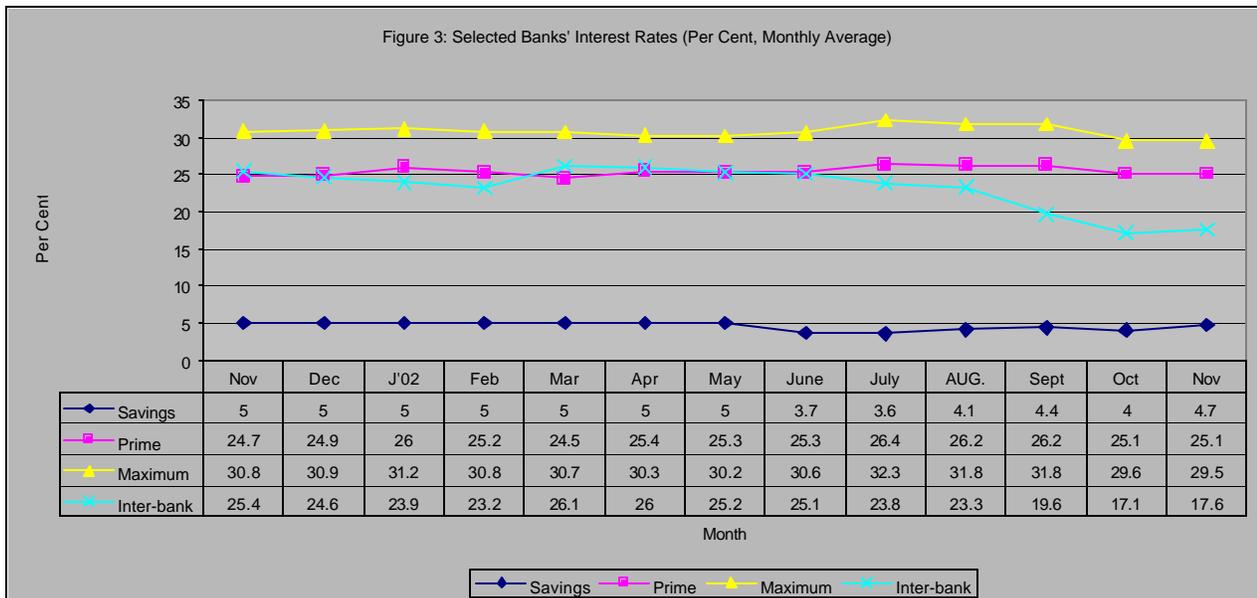
Quasi-money declined by ₦6.4 billion or 0.9 per cent to ₦682.6 billion in November, 2002. The fall reflected the decreases in both savings and foreign currency deposits of the banks during the period. Quasi-money, however, recorded a

per cent in the first eleven months of the year.

Other Assets (net) of the banking system fell by ₦18.4 billion or 1.9 per cent in the review month, compared with the decline of ₦15.1 billion or 1.7 per cent recorded in the preceding month. The fall was traceable entirely to the increases in deposit money banks' unclassified liabilities and money market takings as well as the increase in the unclassified liabilities of the CBN.

## 2.2 Currency-in-circulation and Deposits at CBN

At ₦409.3 billion, currency in circulation in November, 2002 increased by ₦24.2 billion or 6.34 per cent and ₦54.6 billion or 15.4 per cent over the levels in the preceding month and corresponding period of 2001, respectively. The increase was traceable to the rise in both currency outside the banking system and vault cash, which rose by 7.2 and 1.8 per cent from their respective levels of ₦319.4 billion and ₦65.7 billion in October, 2002 to ₦342.4 billion and ₦66.9 billion, respectively, in



significant increase of ₦183.5 billion or 36.8

November.

Total deposits at the CBN amounted to ₦876.4 billion, indicating declines of ₦48.1 billion or 5.2 per cent and ₦185.0 billion or 17.40 per cent from the levels in the preceding month and corresponding period a year earlier. The development during the month was attributable to the declines of 7.8 and 8.2 per cent in deposits by banks and Federal Government, respectively. This was, however, moderated by an increase of 10.3 per cent in deposits by private sector during the month. The shares of the Federal Government, bankers and “others” in total deposits at the CBN were 63.6, 18.1 and 18.3 per cent, respectively, compared with 65.7, 18.6 and 15.7 per cent in October, 2002.

### 2.3 Interest Rate Developments

Provisional data indicated an upward trend in interest rate movements in November, 2002, in contrast to the developments in the preceding month. The average savings deposit rate rose by 0.7 percentage points to 4.7 per cent, while the rates on all other deposits of various maturities which ranged from 8.8 – 14.1 per cent in October, rose to 9.7 – 14.5 per cent in November, 2002. Banks’ average prime

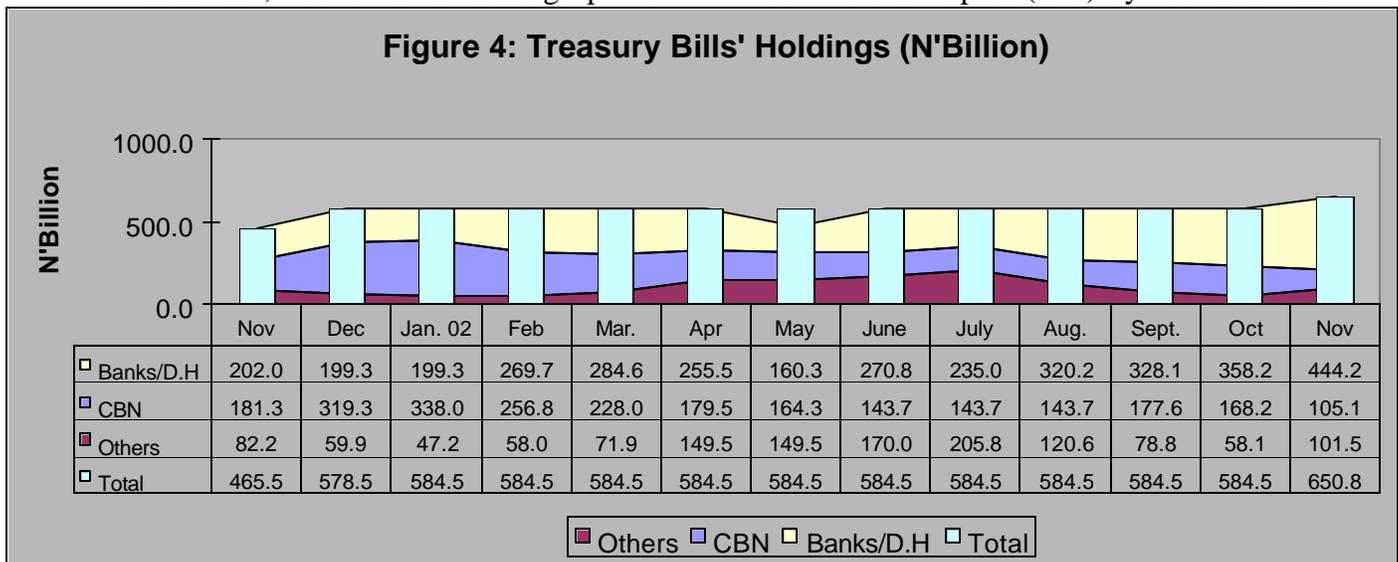
at the preceding month’s level of 25.1 per cent, while the maximum lending rate declined marginally by 0.1 per cent to 29.5 per cent. The spread between banks’ weighted average deposit and maximum lending rates was 16.5 percentage points, while the margin between the average savings deposit and maximum lending rates stood at 24.8 percentage points, down from 25.6 per cent in October 2002

The average inter-bank call rate which stood at 17.1 per cent in October, rose to 17.6 per cent, reflecting the liquidity position in the banking system during the month.

### 2.4 Money Market Developments

Provisional data indicated that the value of money market assets outstanding as at end-November, 2002 rose by ₦76.2 billion or 11.7 per cent to ₦726.9 billion, in contrast to a decline of ₦0.3 billion, in the preceding month. The rise reflected largely the issuance of additional treasury bills worth ₦66.3 billion during the month. This was complemented by the increases in Bankers’ Acceptances (BAs) and Commercial Papers (CPs) by 15.1 and 16.0

**Figure 4: Treasury Bills' Holdings (N'Billion)**



lending rate, however, remained unchanged

per cent, respectively, during the review

period. The level of Eligible Development Stocks (EDS), however, remained unchanged at the preceding month's level of ₦2.4 billion, while treasury bills outstanding rose from ₦584.5 billion in the preceding month to ₦650.8 billion.

Treasury bills worth ₦77.5 billion were re-issued to replace matured bills of the same value, compared with ₦299.0 billion re-issued in October, 2002, while a total of ₦66.6 billion of new issue was made during the month. Analysis of the total amount rolled over as well as the new issue during the month indicated that deposit money banks (DMBs) and discount houses subscribed ₦62.3 billion, representing 43.2 per cent of the total subscription for the month, while "other" investors accounted for ₦15.2 billion or 10.5 per cent, compared with ₦60.0 billion in the preceding month. The balance of ₦66.6 billion or 46.2 per cent was absorbed by the CBN.

A breakdown of outstanding treasury bill holdings showed that deposit money banks and discount houses together accounted for ₦444.2 billion or 68.3 per cent of the total, while holdings by "other" investors amounted to ₦101.5 billion or 15.6 per cent, compared with ₦105.3 billion in the preceding month. Central Bank's total holding during the month rose from ₦35.3 billion in October 2002 to ₦105.1 billion in November, constituting 16.1 per cent of the total.

## **2.5 Capital Market Developments**

Developments on the Nigerian Stock Exchange (NSE) were mixed in November 2002. The volume and value of shares traded indicated downward trends, while the market capitalization and value index recorded increases.

At 334.2 million and ₦2.70 billion, the number and value of shares traded declined by 8.4 and 10.0 per cent, respectively, from their respective levels of 364.9 million and ₦3.0 billion in the preceding month. Analysis of the transactions during the month showed that all transactions were in the equity sector of the market as there were no activities in the government and industrial stocks. The banking sub-sector remained the most active during the month followed by the conglomerates and the oil marketing companies.

Market capitalization and value index rose by 1.5 and 1.4 per cent from ₦705.4 billion and 11451.5, respectively, in October 2002, to close at ₦715.9 billion and 11622.7 in the month under review, following the recovery in price by some of the highly capitalized companies listed on the exchange.

## **2.6 Deposit Money Banks' Activities**

Total assets/liabilities of deposit money banks (DMBs) amounted to ₦2,632.2 billion in November, 2002, representing increases of ₦57.3 billion or 2.2 per cent and ₦464.9 billion or 21.5 per cent over the preceding month's level and the level at end-December, 2001. Funds were sourced mainly from the increases in Federal Government deposits and unclassified liabilities, while major uses of funds included: acquisition of unclassified assets, settlement of government liabilities as well as increases in claims on both the public and the private sectors of the economy, among others.

Aggregate credit to the domestic economy by Deposit Money Banks (DMBs) at end-November, 2002 amounted to ₦1,220.8 billion, representing a decline of ₦62.0 billion or 4.8 per cent from the

preceding month's level, but an increase of ₦223.3 billion or 22.4 per cent over the level at end-December, 2001, respectively. The breakdown showed that credit to the private sector increased by ₦19.2 billion or 2.0 per cent, while claims on the Central government fell by ₦81.2 billion or 25.8 per cent, reflecting largely the significant increase in government deposits with the banks during the period under review.

Central Bank's credits to the Deposit Money Banks (DMBs) amounted to ₦11.2 billion, representing an increase of ₦3.1 billion or 38.7 per cent over the preceding month's level, but a decline of ₦3.4 billion or 23.2 per cent from the level at end-December, 2001, reflecting largely the rise in CBN's overdraft facilities to the banks during the review month.

Total specified liquid assets of deposit money banks stood at ₦730.4 billion or 54.4 per cent of their total deposit liabilities. This level of assets was 2.2 and 4.4 percentage points above the preceding month's level and the stipulated minimum ratio of 40.0 per cent for fiscal 2002, respectively.

## **2.7 Discount Houses**

Total assets/liabilities of the discount houses amounted to ₦50.0 billion in November 2002, indicating a decline of ₦12.3 billion or 19.7 per cent from the level in the preceding month, but an increase of ₦20.6 billion or 69.7 per cent over the level in the corresponding month of 2001.

Discount houses' investments in the Federal Government securities of less than 91 days maturity was ₦31.7 billion, representing 87.80 per cent of their total deposits liabilities. This was 4.3 and 27.8 percentage points above the level in the preceding month and the prescribed

minimum level of 60.0 per cent for fiscal 2002, respectively.

Total borrowings by discount houses stood at ₦18.2 billion, while their capital and reserves amounted to ₦6.2 billion, resulting in a gearing ratio of 3: 1, compared with the stipulated maximum target of 50:1.

## **3.0 DOMESTIC ECONOMIC CONDITIONS**

The main agricultural activities during the month were harvesting and processing of grains as well as the preparation of lands and planting of dry season tomatoes and other vegetables mostly in the northern states, while poultry farmers all over the country intensified production following increased demand occasioned by the ban on the importation of frozen chicken as well as the expected increase in demand during the festive season. Crude oil output declined by 0.3 per cent from the preceding month's level, while inflation rate was estimated at 13.5 per cent, down from 13.6 per cent in October.

### **3.1 Agricultural Sector**

Harvesting and processing of grains as well as the preparation of lands for planting of dry season tomatoes and other vegetables dominated agricultural activities in the northern part of the country. In the livestock sub-sector, farmers all over the country intensified the production of poultry products for sale during the festive season.

The prices of Nigeria's major agricultural commodities at the London Commodity Market rose during the month. At 109.0 (1985=100), the all-commodities price index, in dollar terms, indicated increases of 0.5 and 86.3 per cent over their levels in the preceding month and corresponding period of 2001, respectively.

In naira terms, the index, at 12,703.40 (1985=100), also rose by 1.0 and 101.1 per cent over their levels in October 2002 and corresponding period of 2001, respectively.

Of the six commodities monitored during the month, copra, palm-oil, coffee and cotton recorded price increases of 10.8, 9.1, 6.2 and 4.8 per cent, respectively, in dollar terms, over their levels in the preceding month, while soya bean and cocoa recorded price declines of 13.4 and 0.7 per cent, respectively. When compared with their levels a year earlier, all the commodities recorded varying degrees of price increases ranging from 2.3 per cent for coffee to 96.9 per cent for cocoa.

In naira terms, palm-oil, copra, coffee and cotton recorded price increases of 8.7, 7.7, 7.5 and 1.5 per cent, respectively, over their levels in the preceding month, while soya bean recorded price decline of 17.6 per cent. The price of cocoa, however, remained unchanged at the preceding month's level. When compared with their levels in the corresponding period of 2001, all the commodities recorded varying degrees of price increases of 112.5, 52.4, 49.4, 49.0, 33.3 and 18.9 per cent for cocoa, palm-oil, cotton, copra, coffee and soya bean, respectively.

### **3.2 Petroleum Sector**

Nigeria's crude oil production, including condensate and natural gas liquids, was estimated at 1.94 million barrels per day (mbd) or 58.20 million barrels for the month, showing a decline of 1.1 per cent from the preceding month's of 1.96 million barrels per day (mbd). The fall in output was attributable to the nation's compliance with OPEC's output cut. The share of the country's production in total OPEC's output, however, remained unchanged at the preceding month's level of 6.5 per cent. Following the fall in output, crude oil

exports were estimated at 1.49 million barrels per day (mbd) or 44.70 million barrels for the month, indicating a further decline of 1.3 per cent from the level recorded in October, 2002, while deliveries of crude oil to refineries for domestic consumption remained at 0.45 mbd or 13.95 million barrels per month.

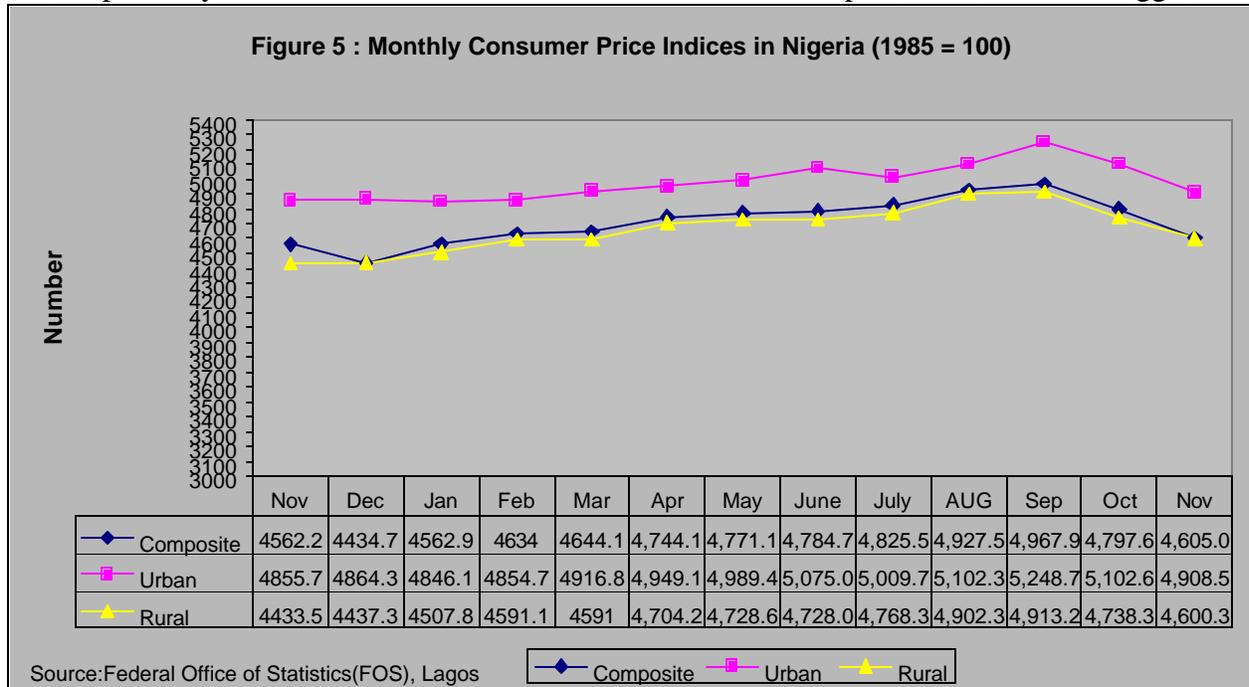
Crude oil prices recorded general declines from the levels in the preceding month in both the spot and net-back markets. The average price of Nigeria's reference crude, the Bonny Light (37<sup>0</sup> API), at \$24.33 a barrel, showed a fall of 13.0 per cent from its level in October 2002, in the spot market. Similarly, the average prices of other competing brands of crude, namely the UK Brent and West Texas Intermediate (WTI) declined from \$27.73 and \$26.36 a barrel in October, 2002 to \$24.33 and \$26.36 a barrel, respectively. In the European net-back market, the Bonny Light was sold at \$28.40 a barrel, indicating a decline of 18.1 per cent from the average price in October 2002, while the U.K Brent and the WTI were sold at \$27.52 and \$31.39 a barrel, respectively, as against \$33.86 and \$33.82 a barrel in the preceding month.

### **3.3 Consumer Prices**

Data from the Federal Office of Statistics (FOS) indicated that the all-items composite Consumer Price Index (CPI) in November, 2002 was estimated at 4,605.0 (1985 = 100), reflecting a decline of 2.8 per cent from the level in the preceding month, but an increase of 14.4 per cent over the level in the corresponding period of 2001. The development during the review month was traceable to the indices of food; clothing and footwear; medical care and health expenses; recreation, entertainment, education and cultural services; and other services whose indices fell by 2.6, 0.9, 0.2, 0.1 and 0.2 per cent, respectively, while the

indices of other component items recorded increases ranging from 0.1 per cent for transportation to 0.2 per cent for household goods. When compared with their levels in the corresponding month a year earlier, all the component items recorded price increases except medical care and health expenses and transportation whose indices recorded price decreases of 3.7 and 4.9 per cent, respectively.

Available information based on the retail price surveys in some locations within Lagos area and the zonal offices of the Central Bank of Nigeria indicated further decline in the all-items average prices of consumer items in November 2002 by 0.08 per cent, compared with a decline of 0.19 per cent in October 2002. The decline during the month was traceable to the fall in the indices of staples; meat, fish and eggs; oil

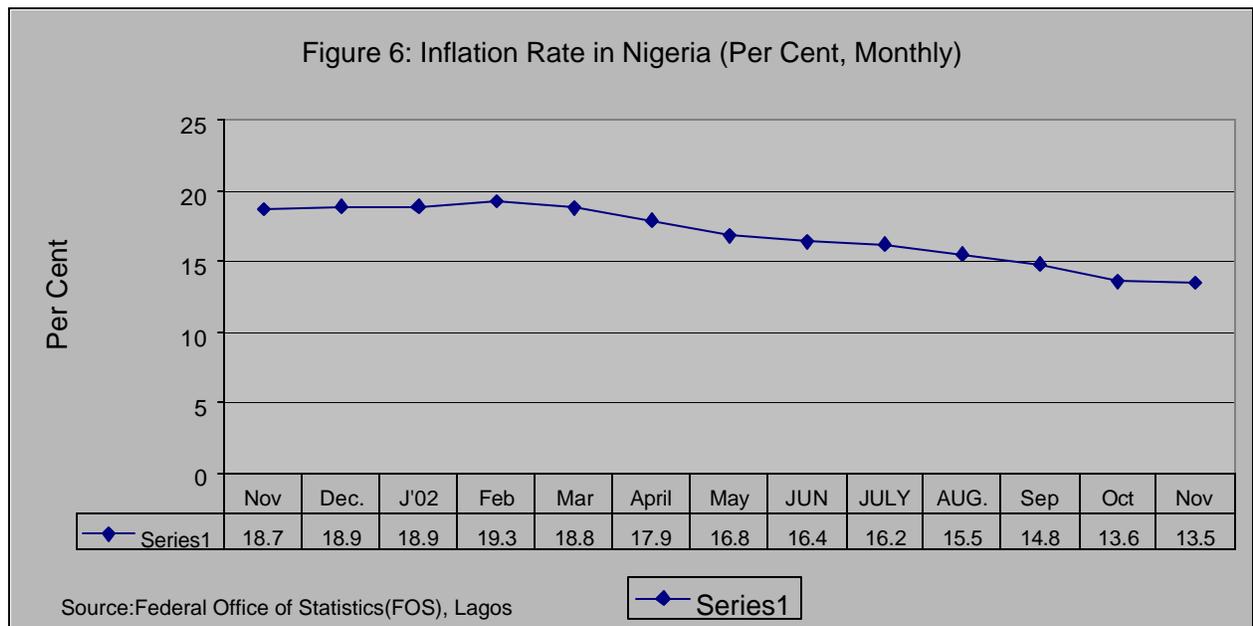


The urban all-items CPI was estimated at 4,908.5 (1985=100), in November, 2002, showing a decline of 3.8 per cent from the level in the preceding month, but an increase of 5.3 per cent over the level in the corresponding period of 2001. Similarly, the rural all-items CPI, which was estimated at 4,600.3 (1985=100), indicated a decline of 2.9 per cent from the level in the preceding month, but showed an increase of 5.2 per cent over the level in the corresponding period of 2001.

and fat; fuel and light and medical by 2.3, 1.7, 1.4, 4.3 and 1.0 per cent, respectively, while the indices of other components recorded increases ranging from 0.3 per cent for clothing and fabrics to 2.1 per cent for beverages and drinks. There were marginal price increases of 0.1, 0.9 and 0.5 per cent in Bauchi, Enugu and Ibadan zones, respectively, over the preceding month's levels, while the all-items average prices in Kano zone and Lagos area recorded declines of 0.1 and 1.2 per cent, respectively.

The inflation rate for the twelve-month period ended November, 2002 was estimated at 13.5 per cent, down from 13.6 and 18.7 per cent recorded in the preceding month and corresponding period of 2001, respectively. The observed moderation in general price level reflected largely the dampening effect of good harvests on food prices as well as the improvement in some infrastructural facilities such as energy and telecommunications.

declines in exports receipts, while the drop in outflow was traceable to the declines of 16.6 and 73.7 per cent as well as the nil disbursements in respect of FEM / DAS utilization, drawing on L/Cs and National Priority Projects, respectively. At US\$8,643.9 million and US\$11,879.9 million, cumulative inflow and outflow through the CBN from January to November, 2002 were 41.5 and 13.2 per cent lower than their respective levels in the corresponding period of 2001.



## 4.0 EXTERNAL SECTOR DEVELOPMENTS

### 4.1 Foreign Exchange Flows

Foreign exchange inflow and outflow through the Central Bank of Nigeria (CBN) in November, 2002 amounted to US\$775.1 million and US\$976.5 million, respectively, indicating a net outflow of US\$201.4 million. When compared with their levels of US\$1,053.7 million and US\$1,067.3 million recorded in October 2002, inflow and outflow declined by 26.4 and 8.5 per cent, respectively. The drop in inflow was accounted for largely by the 26.0 per cent

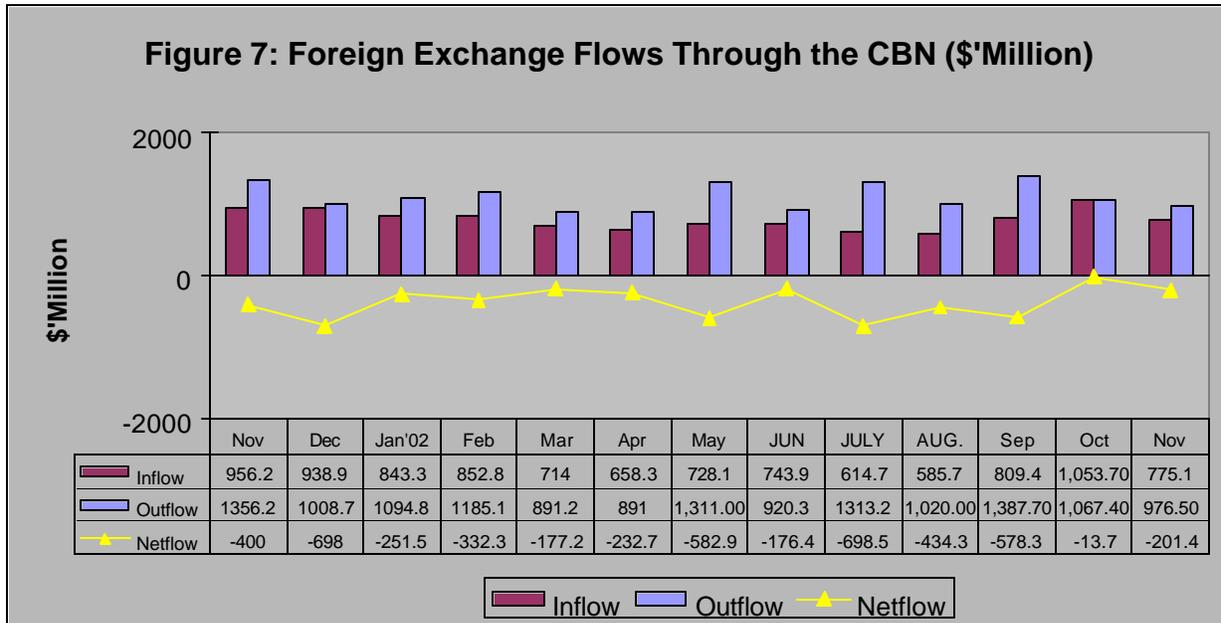
Provisional data on foreign exchange flows through the economy showed that total inflow declined by 18.6 per cent to US\$1,233.0 million, from the level in the preceding month. Of the total inflow, oil receipts amounted to US\$735.0 million or 59.6 per cent, while non-oil public sector receipts amounted to US\$40.1 million. Inflow through autonomous sources was US\$457.9 million or 37.1 per cent of the total.

At US\$1,037.2 million, foreign exchange outflow from the economy indicated a decline of 8.8 per cent from the level in October, 2002, following the drops in

disbursements in respect of FEM/DAS utilization and drawings on L/Cs. However, external debt service rose from US\$72.7 million in October 2002 to US\$141.1 million in November. There was no disbursement in respect of National Priority Projects during the month. The cumulative inflow and outflow through the economy

### 4.3 Foreign Exchange Market Developments

The demand pressure in the Foreign Exchange Market (FEM) moderated in November 2002, in contrast to the developments in the preceding month. A total of US\$558.8 million was sold to end-



during the eleven-month period amounted to US\$13,499.7 million and US\$12,504.1 million, respectively, compared with US\$18,054.6 million and US\$14,609.9 million in the corresponding period of 2001.

### 4.2 Sectoral Utilisation of Foreign Exchange

The industrial sector accounted for the bulk (36.4 per cent) of total foreign exchange disbursed in November 2002. Other beneficiary sectors, in a descending order of importance, included: general merchandise, invisibles, food, transportation and agricultural products (fig.8).

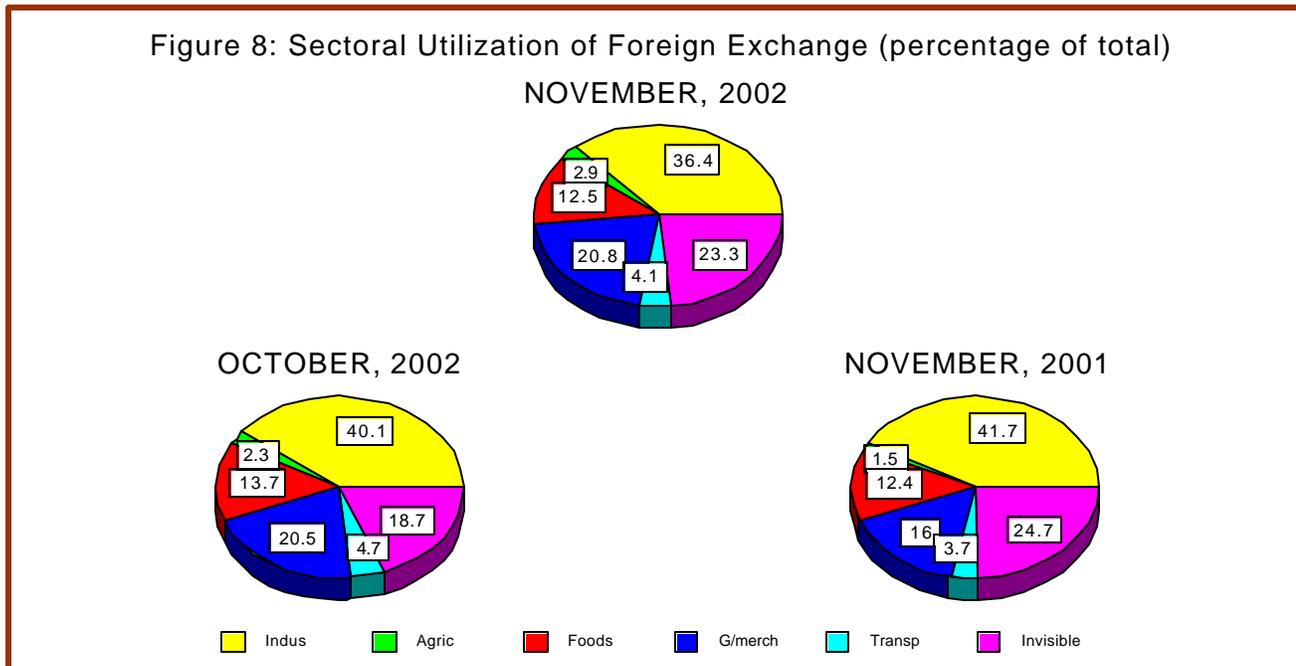
users through the authorized dealers, compared with US\$670.3 million in the preceding month. The weighted average exchange rate of the naira vis-à-vis the US dollar depreciated marginally by 0.2 per cent from ₦126.80 per US\$1.00 in October to ₦127.03 per US\$1.00 in November, 2002. The parallel market exchange rate, however, appreciated marginally from ₦138.85 per dollar to ₦138.78 per dollar, while the rate in the bureaux de change depreciated from ₦139.17 per dollar to ₦139.22 per dollar, during the same period. Overall, the premium between the official and the parallel market rates stood at 9.42 percentage points in November, compared with 9.71 per cent in October 2002.

#### 4.4 External Reserves

Nigeria's gross external reserves at end-November, 2002 amounted to US\$7,737.1 million, representing a decline of 0.06 per cent from the preceding month's

State and Government of the West African Monetary Zone (WAMZ) held in Conakry, Republic of Guinea on November 7, 2002. After the presentation of the reports of the 9<sup>th</sup> meeting of the Convergence Council and Central Bank Governors of the WAMZ, the

Figure 8: Sectoral Utilization of Foreign Exchange (percentage of total)



level. At current foreign exchange commitments, the reserves could finance about 7.5 months of imports, compared with 7.1 months in the preceding month.

Authority restated its commitment to the success of the WAMZ project as an important step towards the achievement of the macroeconomic stability and convergence which are necessary conditions for launching the WAMZ monetary union as well as the evolution of ECOWAS single monetary zone.

#### 5.0 OTHER INTERNATIONAL ECONOMIC DEVELOPMENTS

At 77.55 mbd in November 2002, World crude oil output fell by 0.3 per cent from the preceding month's level of 77.76 mbd. Similarly, estimated demand, at 77.40 mbd, dropped by 0.15 mbd below supply, in contrast to an excess demand of 0.14 mbd recorded in October.

Other major international economic developments of relevance to the domestic economy during the month included: the fourth summit of the authority of Heads of

