

News Release

Purchasing Managers' Index™
MARKET SENSITIVE INFORMATION
Embargoed until: 14:00 (Abuja) / 13:00 (UTC) December 7th 2015

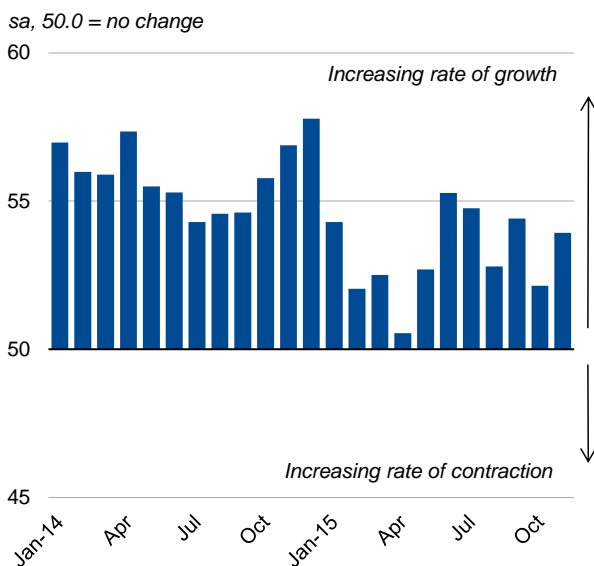
Stanbic IBTC Bank Nigeria PMI™

Private sector expansion gathers speed in November

Data collected 12-27 November

- PMI signals healthier improvement in business conditions
- Output, new orders and employment all rise more quickly
- Stronger cost pressures lead to renewed increase in charges

Stanbic IBTC Bank Nigeria PMI



Sources: Markit, Stanbic IBTC Bank

This press release contains the first public release of data collected from the new monthly survey of business conditions in the Nigerian private sector. The survey, sponsored by Stanbic IBTC Bank and produced by Markit, has been conducted since January 2014 and provides an early indication of operating conditions in Nigeria. The headline figure derived from the survey is the Purchasing Managers' Index™ (PMI™).

The PMI is a composite index, calculated as a weighted average of five individual sub-components: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). Readings above 50.0 signal an improvement in business

conditions on the previous month, while readings below 50.0 show a deterioration.

At 53.9 in November, the seasonally adjusted **Stanbic IBTC Bank Nigeria PMI** pointed to a solid improvement in the health of the Nigerian private sector. It also signalled a rebound in growth since October, when the lowest reading in six months was recorded (52.1). That said, the latest figure was still below the average over the 23-month series history (54.7).

Commenting on November's survey findings, Ayomide Mejabi, Economist at Stanbic IBTC Bank said:

"The November Nigeria PMI reading suggests a sharp improvement in operating conditions as the rates of growth of both output and new orders quickened after the slowdown in October. Interestingly, this comes at a time when the domestic macroeconomic environment continues to show broad signs of weakness as commodity prices remain depressed, resulting in fiscal challenges. That said, increasing clarity around the make-up of the new government and its policy leanings appears to have fostered some improvement in confidence in the private sector. This arguably resulted in a sharp increase in new orders, stronger sales, accelerated job creation but also higher output and input prices."

The main findings of the November survey were as follows:

The upward trend in the headline index was helped by improvements in two of its key components in November, namely output and new orders. After having slipped to a five-month low in October, growth of business activity quickened to a robust pace. Likewise, new orders rose more quickly than in the prior month. There were reports that new client wins had contributed to stronger-than-expected sales, which in turn led panellists to raise their output further.

This PMI is endorsed and adopted by NBS

Despite the acceleration in growth of total new work, new business from abroad declined again in November. Firms commented on adverse exchange rates and, in some cases, squeezed cash flow as reasons behind the fall.

Another factor underpinning growth of the sector as a whole was a faster increase in staff numbers. The rate of hiring picked up to the joint-quickest in 17 months. Anecdotal evidence mainly linked job creation to higher new work inflows. The rise in new orders was also a factor behind renewed growth of backlogs. Outstanding business rose for the first time since February.

The quantity of purchases made by Nigerian private sector firms expanded at the sharpest pace so far this year during November. Growth was attributed to the improvement in client demand, and firms built up their input stocks as a result. The rate of inventory building accelerated to a five-month high.

Meanwhile, November data highlighted steeper rises in both salaries and purchasing prices. Subsequently, overall cost pressures intensified, causing charges to increase following a slight fall one month previously.

-Ends-

For further information, please contact:

Stanbic IBTC Bank:

Ayomide Mejabi, Economist, Research
Telephone +234 1 422 8324
Email ayomide.mejabi@stanbicibtc.com

Usman Imanah, Communications Manager
Telephone +234 7066 3172 67
Email usman.imanah@stanbicibtc.com

Markit:

Philip Leake, Economist
Telephone +44-1491-461-014
Email philip.leake@markit.com

Joanna Vickers, Corporate Communications
Telephone +44-207-260-2234
Email joanna.vickers@markit.com

Note to Editors:

The Stanbic IBTC Bank Nigeria Purchasing Managers' Index™ is based on data compiled from monthly replies to questionnaires sent to purchasing executives in approximately 400 private sector companies, which have been carefully selected to accurately represent the true structure of the Nigerian formal economy, including agriculture, manufacturing, services, construction and retail. The panel is stratified by Standard Industrial Classification (SIC) group, based on industry contribution to GDP. Survey responses reflect the change, if any, in the current month compared to the previous month based on data collected mid-month. For each of the indicators the 'Report' shows the percentage reporting each response, the net difference between the number of higher/better responses and lower/worse responses, and the 'diffusion' index. This index is the sum of the positive responses plus a half of those responding 'the same'.

The Purchasing Managers' Index™ (PMI™) is a composite index based on five of the individual indexes with the following weights: New Orders - 0.3, Output - 0.25, Employment - 0.2, Suppliers' Delivery Times - 0.15, Stock of Items Purchased - 0.1, with the Delivery Times index inverted so that it moves in a comparable direction.

Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change. An index reading above 50 indicates an overall increase in that variable, below 50 an overall decrease.

Markit do not revise underlying survey data after first publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series. Historical data relating to the underlying (unadjusted) numbers, first published seasonally adjusted series and subsequently revised data are available to subscribers from Markit. Please contact economics@markit.com.

Stanbic IBTC Bank:

Stanbic IBTC Bank is a subsidiary of Stanbic IBTC Holdings Plc, a full service financial services group with a clear focus on three main business pillars - Corporate and Investment Banking, Personal and Business Banking and Wealth Management. Standard Bank Group, to which Stanbic IBTC Holdings belongs, is rooted in Africa with strategic representation in 20 key sub-Saharan countries and other emerging markets; Standard Bank has been in operation for over 151 years and is focused on building first-class on-the-ground banks in chosen countries in Africa and connecting other selected emerging markets to Africa and to each other.

About Markit

Markit is a leading global diversified provider of financial information services. We provide products that enhance transparency, reduce risk and improve operational efficiency. Our customers include banks, hedge funds, asset managers, central banks, regulators, auditors, fund administrators and insurance companies. Founded in 2003, we employ approximately 4,000 people in 11 countries. Markit shares are listed on Nasdaq under the symbol MRKT. For more information, please see www.markit.com.

This PMI is endorsed and adopted by NBS

About PMI

Purchasing Managers' Index[®] (*PMI*[®]) surveys are now available for over 30 countries and also for key regions including the eurozone. They are the most closely-watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. To learn more go to www.markit.com/economics.

Disclaimer

Please note that the Stanbic IBTC Bank Nigeria PMI should not be taken as a substitute for official statistics, but may be used in conjunction with them.

The intellectual property rights to the Stanbic IBTC Bank Nigeria PMI[™] provided herein are owned by or licensed to Markit. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without Markit's prior consent. Markit shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall Markit be liable for any special, incidental, or consequential damages, arising out of the use of the data. Purchasing Managers' Index[™] and PMI[™] are either registered trade marks of Markit Economics Limited or licensed to Markit Economics Limited. Stanbic IBTC Bank use the above marks under licence. Markit is a registered trade mark of Markit Group Limited.