
MPC TIGHTENS TO 14% P.A.



BETWEEN A ROCK AND A HARD PLACE

Rate hike a tactical response to:


- ☑ Curb the persistent rise in Headline Inflation to 16.5%
- ☑ Increase dollar inflow into the forex market
- ☑ Reduce external reserve depletion
- ☑ Increase national savings
- ☑ Reduce regulatory arbitrage between banks and the CBN



Benefits of move



Will lead to short term naira appreciation



Naira already in the REER, 20 year fair value N315 – N320



Naira appreciated to N376/\$ from N378/\$

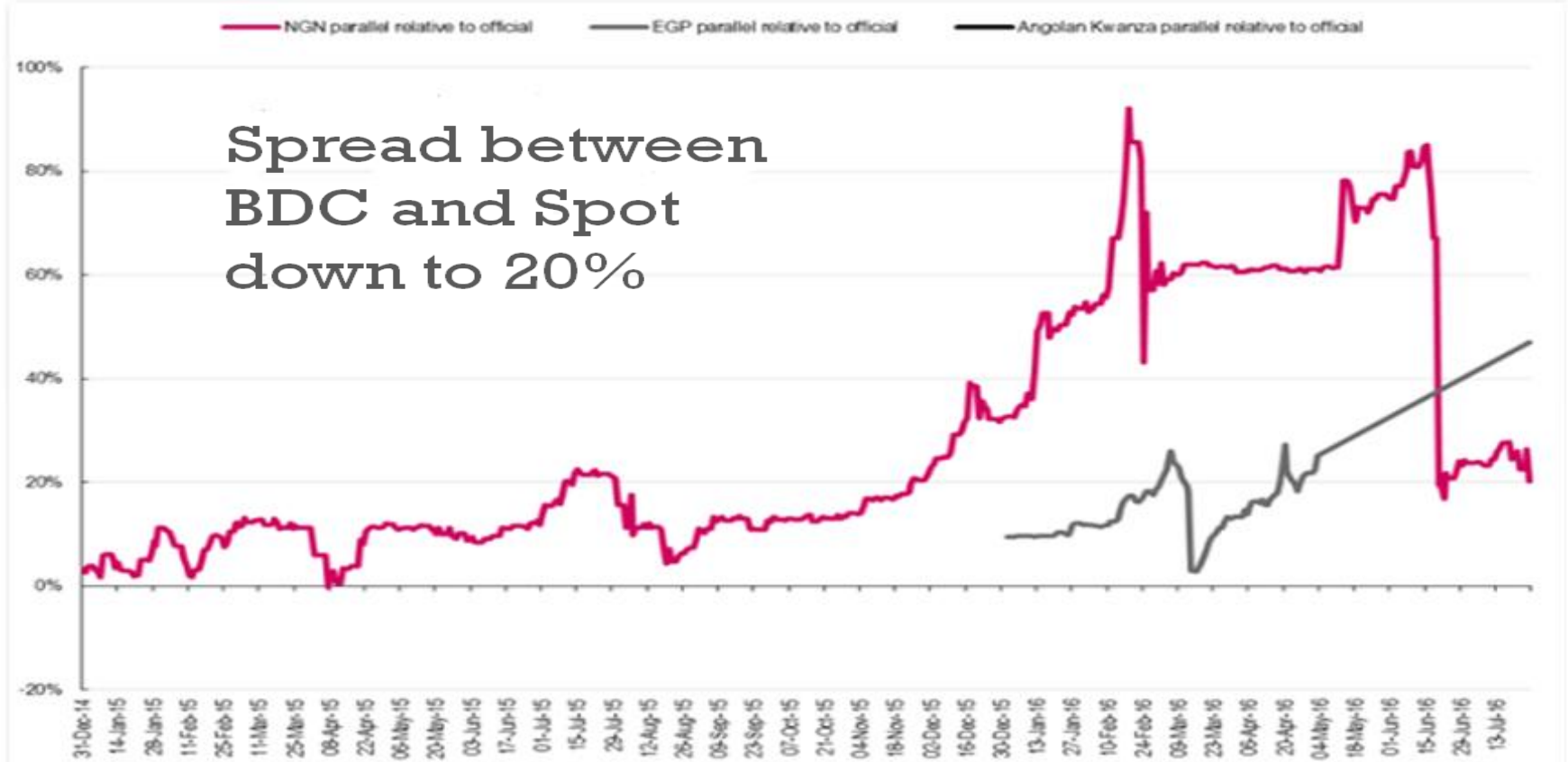


Reduce demand for dollars at the interbank



Reduce cost of imported raw materials and finished goods

Benefits of move



Source: Renaissance Capital, Bloomberg



Who We Are

Avant-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 8th 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.

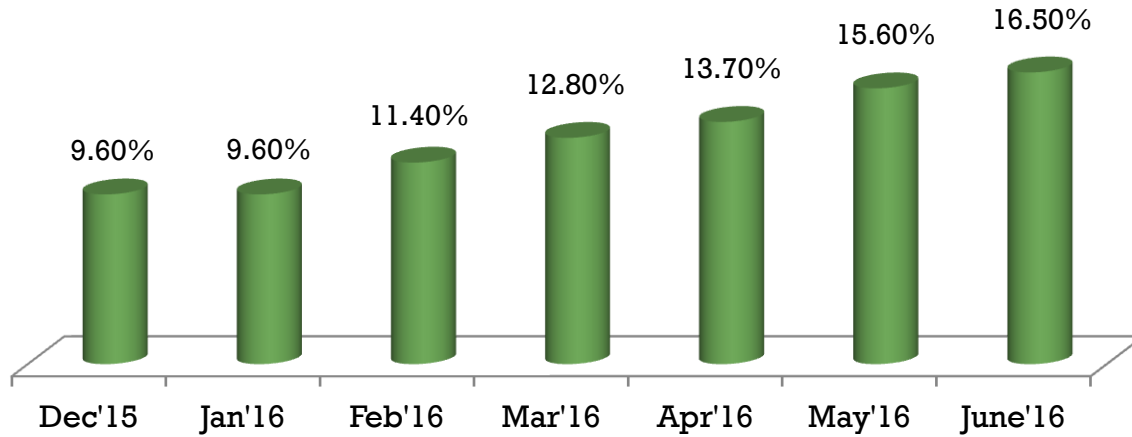
Package 3: (Per Application)

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.

Inflation in Nigeria (*Supply Shocks*)



- ▣ Inflation resulting from supply shocks
- ▣ May not respond to interest rate hikes
- ▣ Rate hikes good for money supply induced inflation

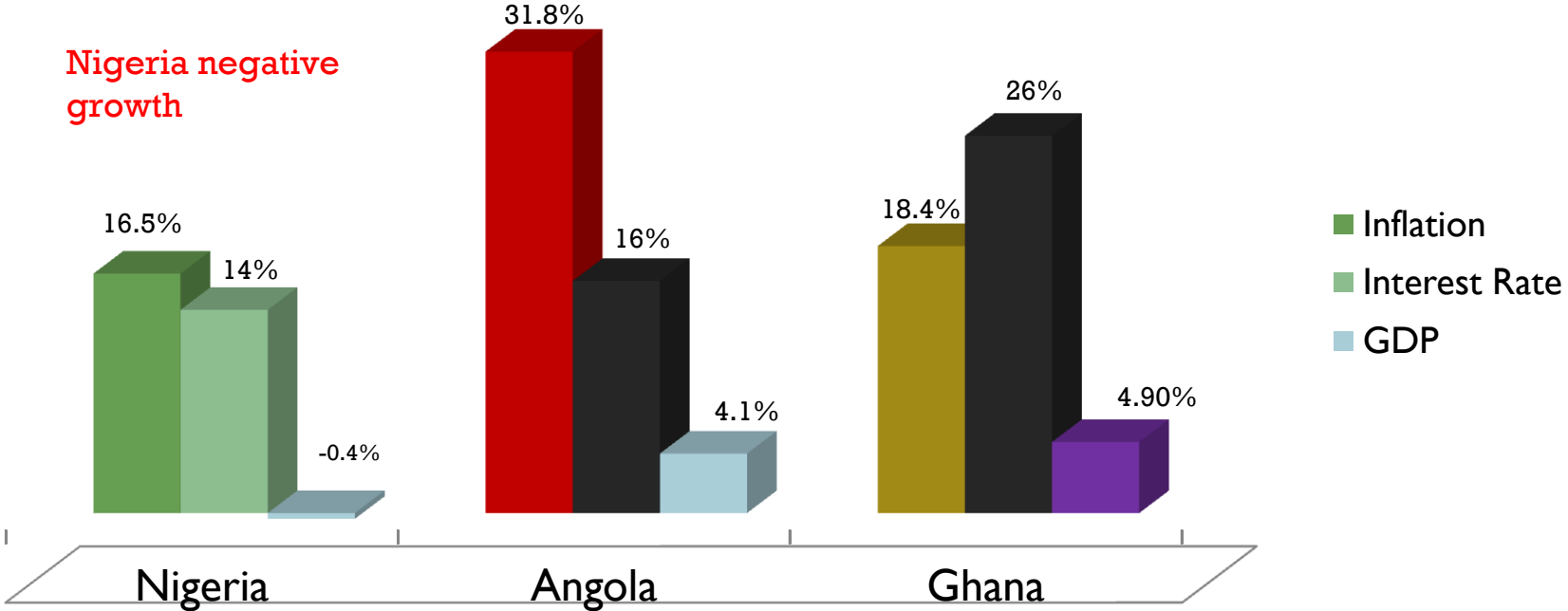
Disadvantages – *Limited policy options and hard choices*

- ✓ Higher cost of borrowing a peril to SME's
- ✓ Increase corporate failure and bankruptcies
- ✓ Higher non-performing loans (NPL) 11% – 15%
- ✓ A spike in government debt service approx. NI trn
- ✓ No matter the decision, more pain before gain



Sub-Saharan Africa Perspective

Nigeria negative growth



Outlook

- ✓ Naira will appreciate and stabilize in the interbank to N300/\$ - N305/\$
- ✓ BDC rates will appreciate to N370/\$
- ✓ Gains will depend on oil production
- ✓ Market transparency and liquidity
- ✓ Tactical moves do not solve structural problems
- ✓ Only consistency, time and patience will do