



Unleashing economic opportunities in Africa – The Private Sector, Investment and Trade

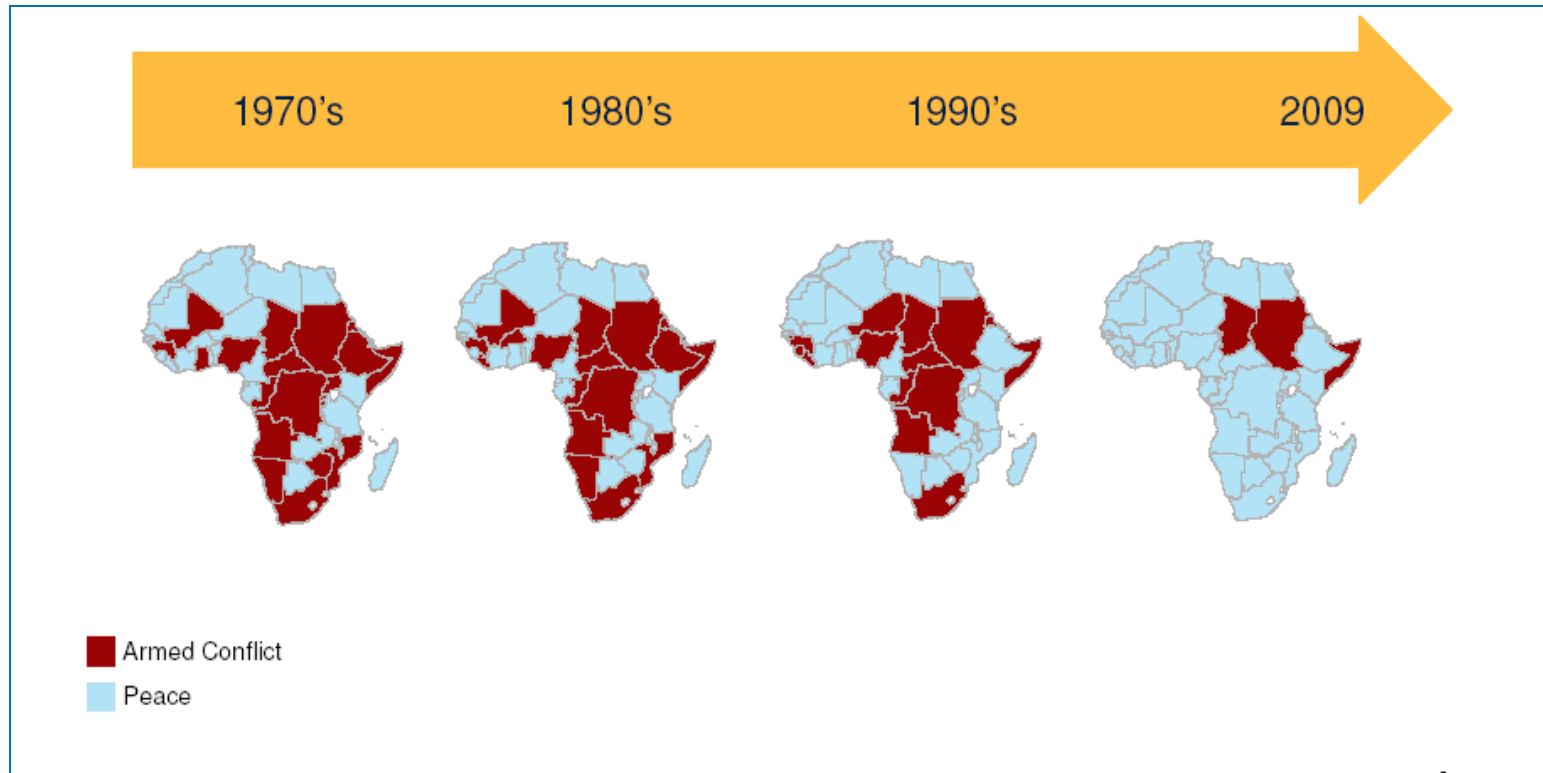
Oti Ikomi, Senior Vice-President, Ecobank

June 2011

Agenda

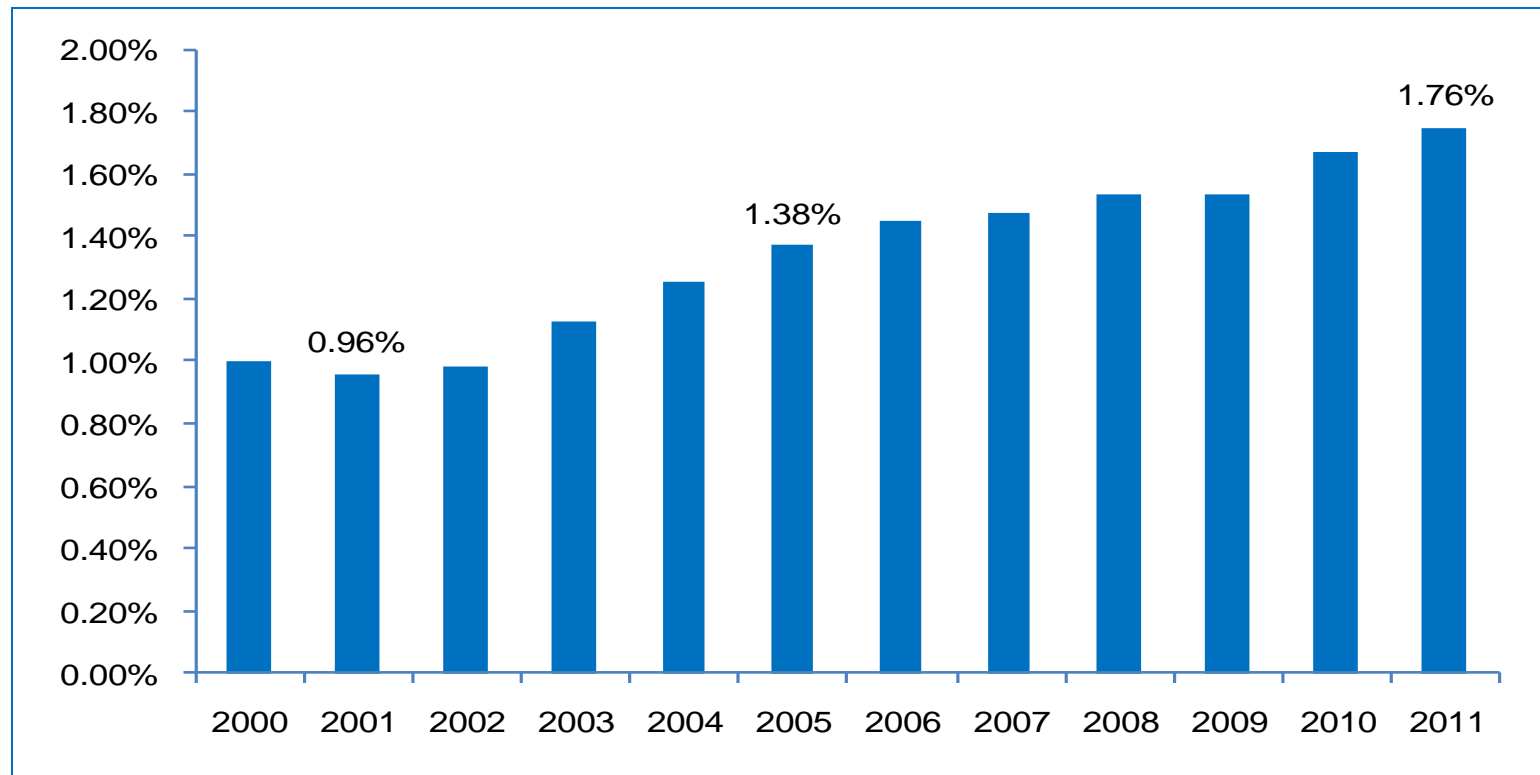
- **Africa Political Environment improving**
- **Macro-economic Africa overview**
- **Foreign Direct Investments into Africa**
- **Africa expanding Middle Class**
- **India – Africa Trade – Observations**
- **Ecobank Overview**

Political Risks are coming down



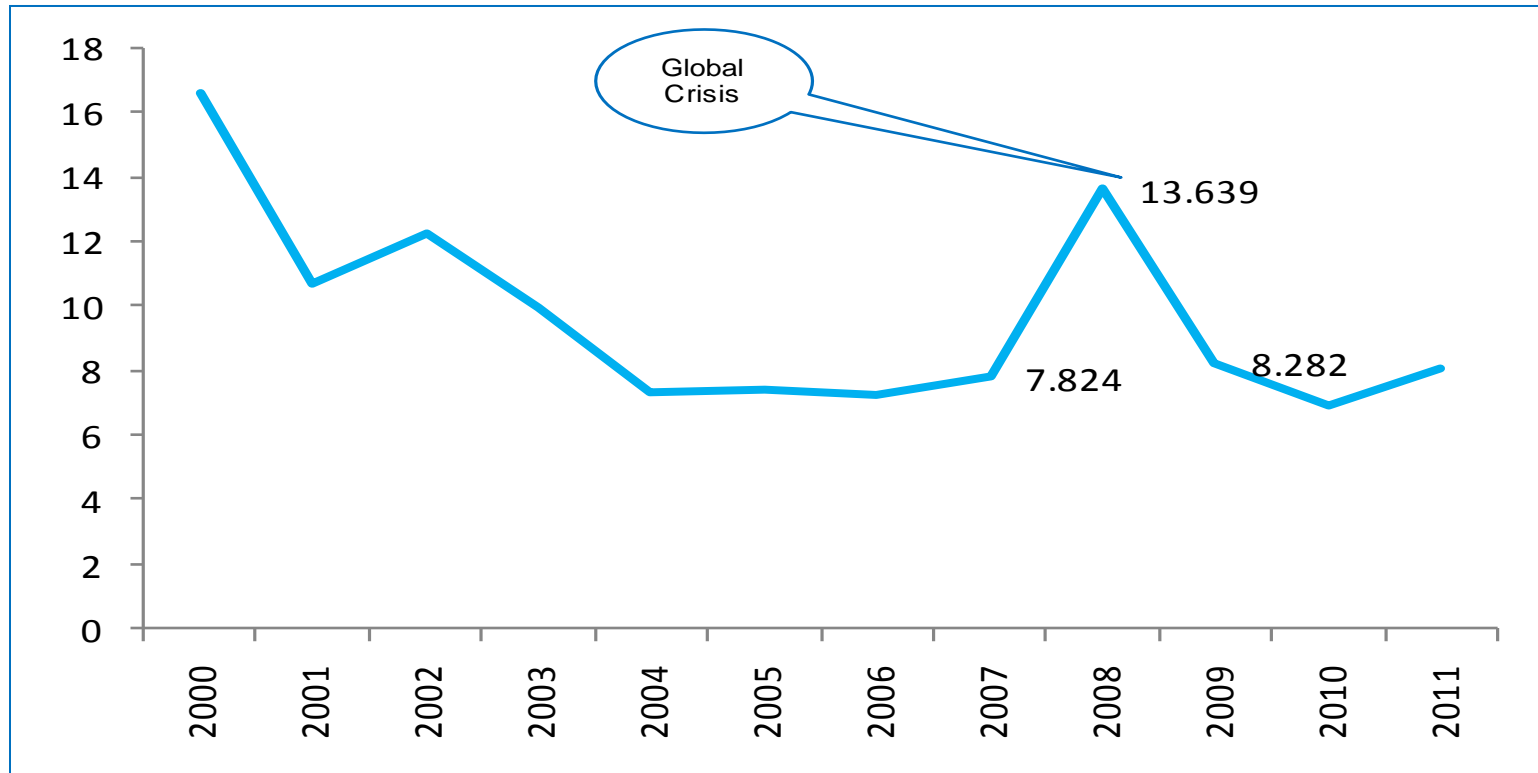
Source: Africa Analyst

SSA GDP as % of World GDP: 2000 - 2011



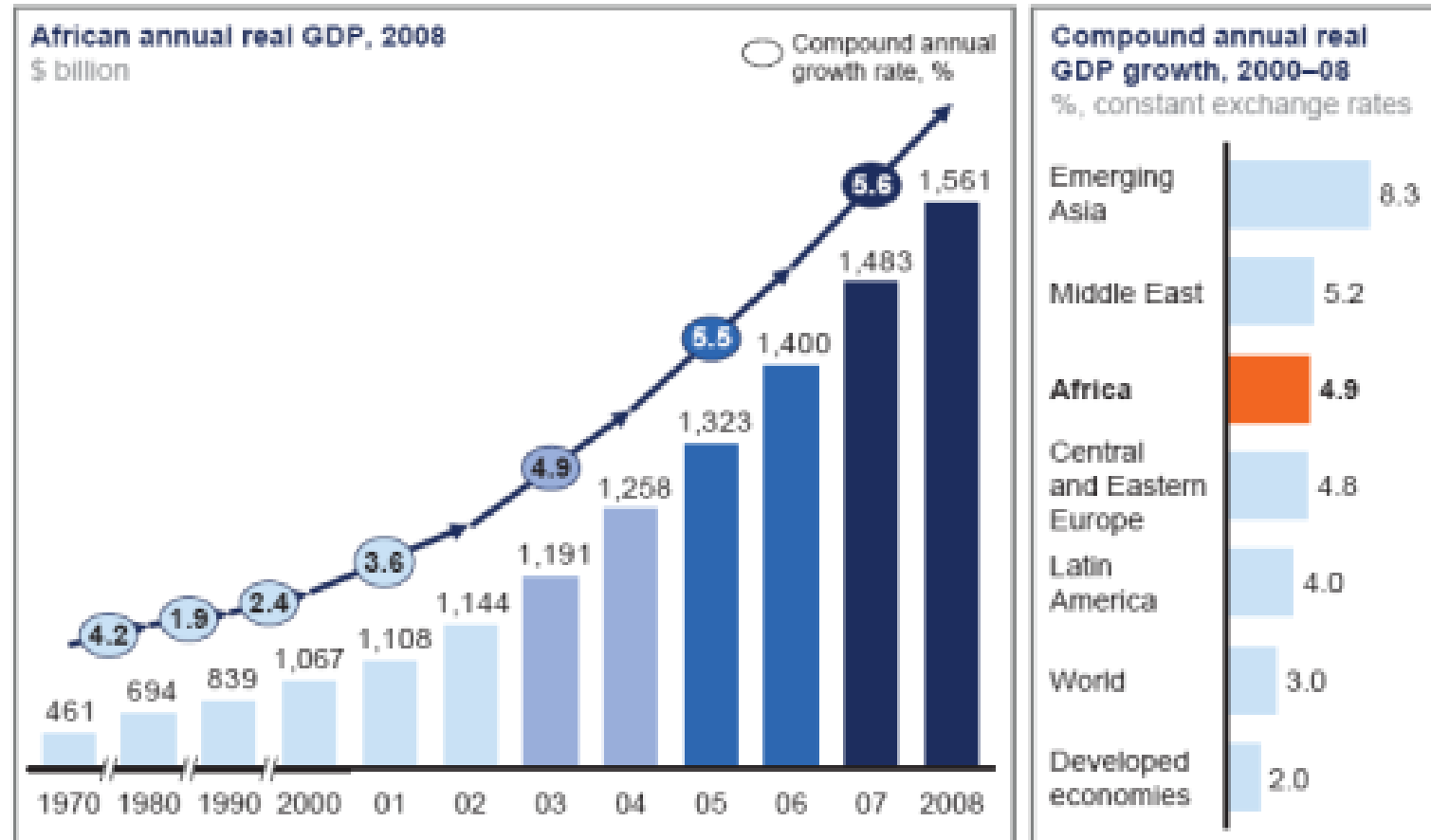
Source: IMF, Ecobank Research

SSA Inflation Trending Down (%)



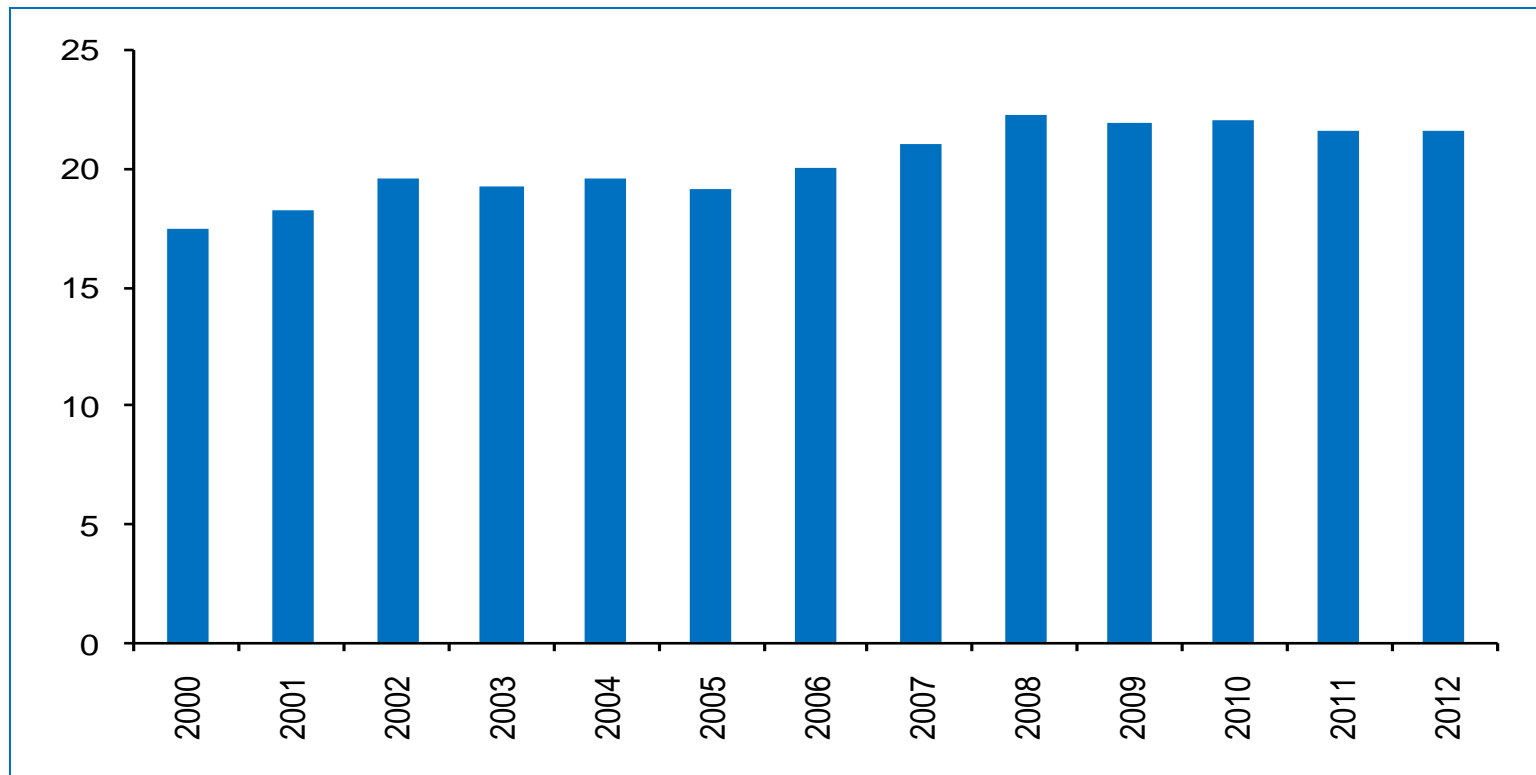
Source: IMF WEO, April 2011

Africa's economic growth accelerated after 2000, making it the world's third-fastest growing region



SOURCE: International Monetary Fund; World Bank World Development Indicators; McKinsey Global Institute

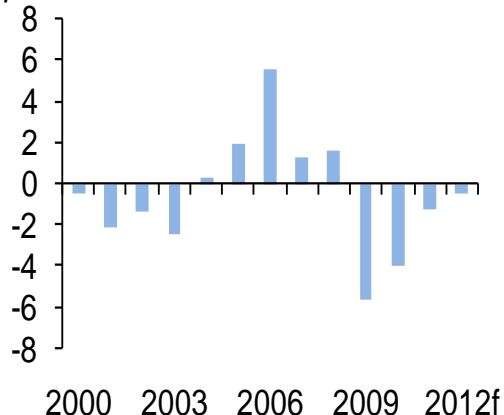
SSA FDI as % of GDP, Not yet as Attractive



- As economies strengthen, fiscal stimulus has been withdrawn, leading to return of surpluses.

Fiscal Balance

percent of GDP

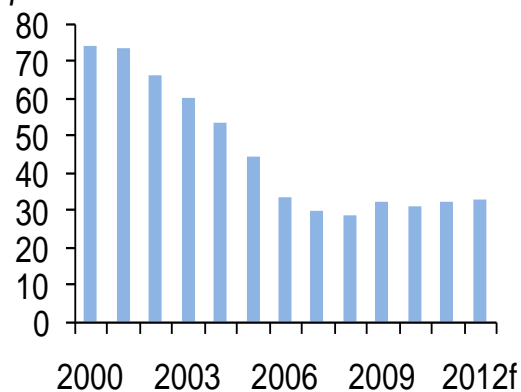


Improving Business Environment

- Debt remains moderate compared to:
 - Japan (225% GDP)
 - Greece (130% GDP)
 - US (93% GDP).

Public Debt, Gross

percent of GDP



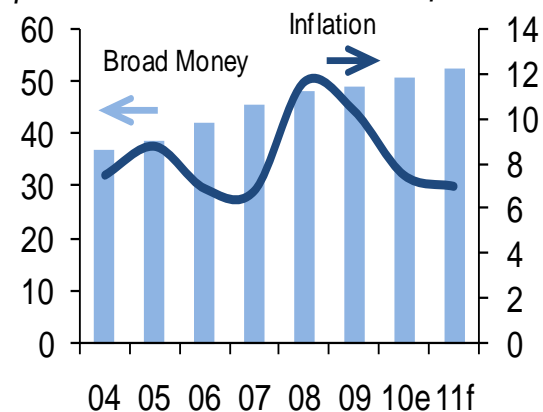
- With M2 supply growth under control, inflation has fallen across Africa.

- External shocks, like 2008 oil price spike, have an effect.

Inflation and M2 Supply Growth

percent of GDP

percent



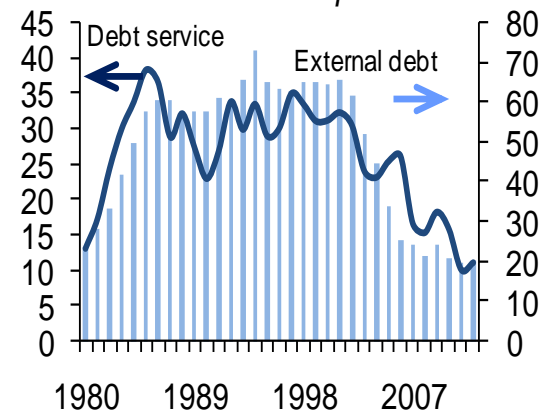
- Stock of external debt remains low and comfortable.

- Falling debt service ratio reflects less debt to service and rising level of exports.

External Debt & Debt Service

percent of exports

percent of GDP



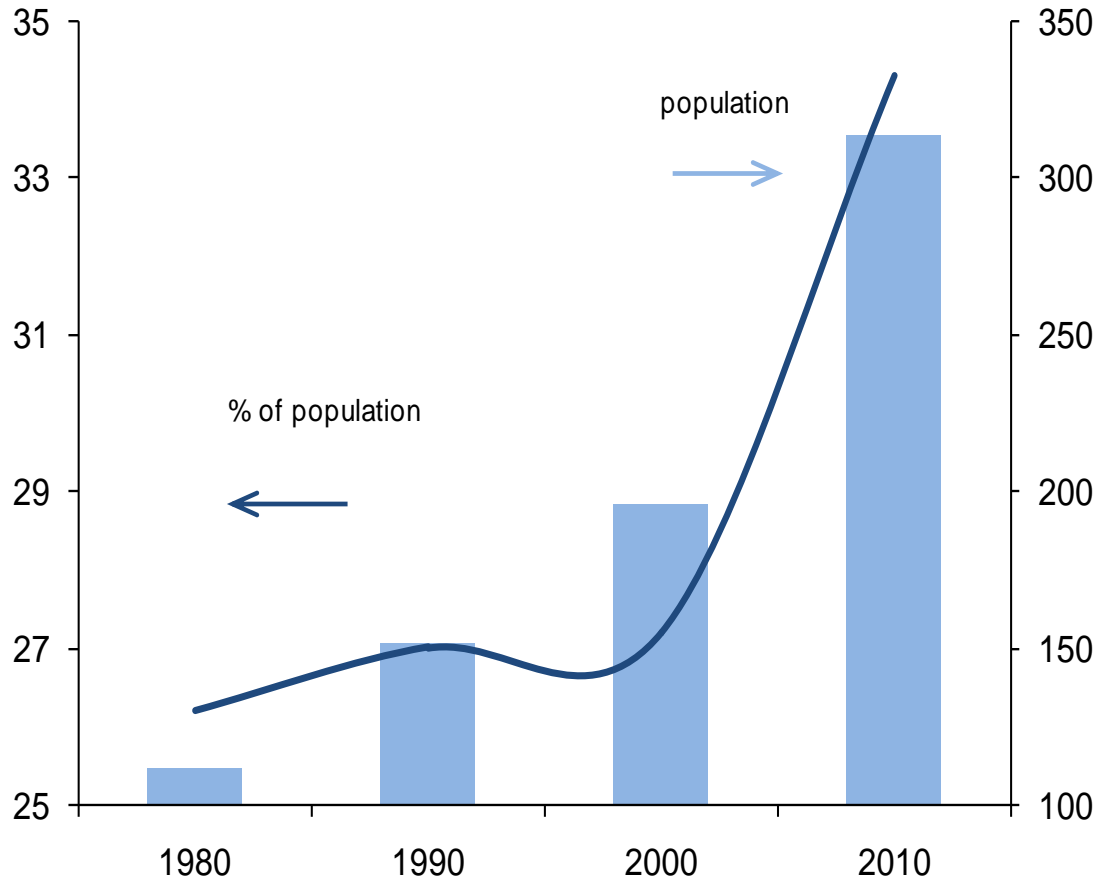
Source: IMF

Source: IMF

Middle Class in Africa

percent of population

millions



- Growth in Africa's middle class has reflected the successful implementation of economic and structural reforms over the last 10 years.

- In the 1980s and 1990s, growth in the middle class stagnated due to:
 - Inconsistent and ill-designed reforms.
 - Intransigence from some governments.

- However, the middle class has expanded strongly, by almost 1% per year over the last 10 years due to:
 - A stronger supporting policy environment.
 - Which has allowed the private sector to flourish.

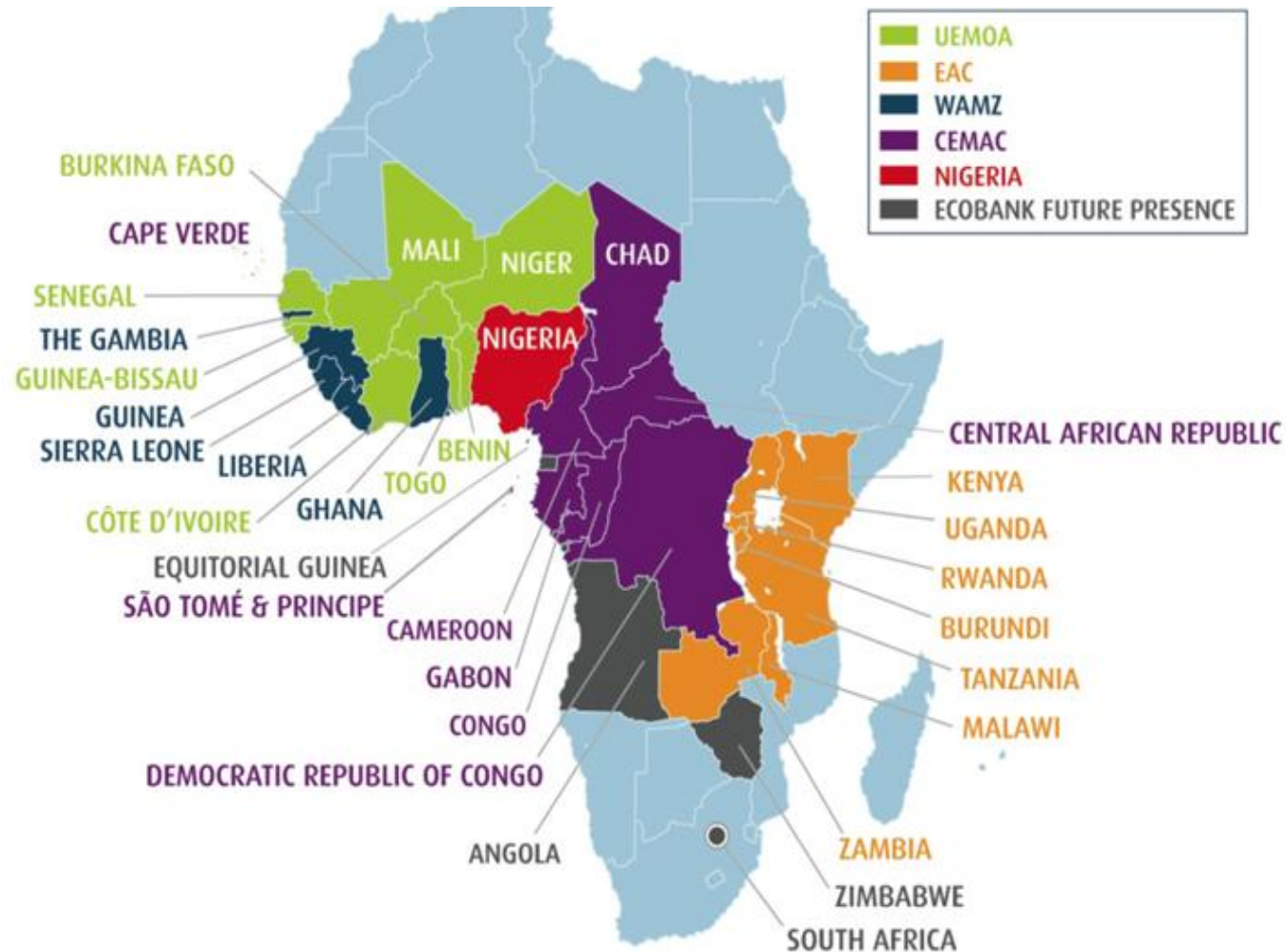
Source: African Development Bank

India – Africa Trade : Observations & Summary

- Emerging Indian success with Bharti Airtel in telecomms
- Leverage deep roots of Indian trading and manufacturing links in South Africa, East Africa, West Africa etc
- Indian ICT involvement in Africa to get deeper as India has the advantages of world class expertise and emerging markets experience
- More cross-fertilization required between Indian & Africa at job exchanges, sharing of knowledge and ideas
- India must partake actively in Africa's Infrastructure growth
- The value chain to manufacturing and services provides a major opportunity for SME growth in Africa, and India can partake more on this sphere
- The summary is a vast opportunity for India & Africa in growing and benefiting on Investment and Trade

Ecobank Network – 32 Countries in Africa

- Africa's leading independent Pan African banking group, incorporated in 1985
- Present in 32 countries in Africa; in more countries in Africa than any bank in the world.
- Group Assets of over USD10 Billion and Capital of over USD1.3Billion (2010 Financials)
- Over 10,000 Professionals
- Ecobank Group is focused on the provision of convenient, accessible and reliable financial products and services



Top 10 Shareholders

	Shareholder's Name	Shareholding (%)
1.	THE INTERNATIONAL FINANCE CORPORATION	11.91
2.	RENAISSANCE DIRECT INVESTMENT LTD	9.09
3.	SOCIAL SECURITY AND NATIONAL INSURANCE TRUST	9.04
4.	STANBIC NOMINEES NIG. LTD - TRADING A/C	3.47
5.	INTERLINK SECURITIES LIMITED	3.30
6.	BBGN/ PICTET & CIE, GENEVA LATITUDE ZERO FINANCIAL INVEST FUND	3.22
7.	AFRICA INVESTMENT SUB 1 LIMITED	3.00
8.	ICMG SECURITIES / ECOBANK	2.47
9.	B.I.D.C.	2.27
10	ECOBANK/STI/SPRINGBOARD NOM-CLIENTS-TRAD	2.05
	TOTAL	49.82

Solutions from Ecobank Corporate Banking

Lending

- Well structured, competitive and customized lending solutions based on customer requirements
- Finance over short-term, mid-term and long-term finance

International Trade

- Comprehensive trade solutions using various financing methods to facilitate global trade
- Unique intra Africa Trade solutions, enabling customers to settle international trade transactions efficiently and to mitigate payment risks

Supply Chain Finance

- Working capital solutions to optimize cash flows and enhance liquidity through financing sales and purchases
- Solutions include Receivables Based Financing, Trade Loans, Inventory/Warehouse Finance and other options

Cash Management

- Our payables and receivables management products are designed to improve your processes
- Solutions delivered through branch, on-site at customer, secure courier and electronic channels

Corporate Internet Banking

- A secure web based system for all payment types. Uses best practice security with 128 SSL and RSA secure tokens

Merci
Thank You

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