

NDIC QUARTERLY

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Review of Developments in Banking and Finance in the Second and Third Quarters of 2005

The second and third quarters of 2005 witnessed a number of developments in the nation's banking sector. Some of these developments included the merger of United Bank for Africa (UBA) PLC and Standard Trust of Africa (STB) PLC, the first concluded merger under the bank consolidation programme; the launching of a Nationwide Depositor-Awareness Campaign by the Corporation; the organization of the 1st Depositor Protection Week as well as its 16th Anniversary; and the debt relief granted by the Paris Club of Creditors to the country. During this period a number of banks had their shares listed on the Nigerian Stock Exchange. Details of these developments and the quarterly report on interest rates on major financial instruments, the Naira exchange rate as well as the average performance of quoted banks' shares on the Nigerian Stock exchange (NSE) as at end of the third quarter, 2005 are presented in this paper.

To read click [Review of Developments in Banking and Finance in the Second and Third Quarters of 2005](#)

Financial Condition and Performance of Insured Banks in the Second and Third Quarters of 2005

The financial condition and performance of the insured banks was mixed during the period under review. Total assets of banks increased by 5.44 percent from =N=3.85 trillion as at the end of second quarter of 2005 to =N=4.06 trillion during the third quarter. The industry's total loans and advances increased by 5.45 percent from =N=1.45 trillion as at the end of the second quarter to =N=1.52 trillion as at the end of the third quarter. However, there was a slight deterioration in asset quality as the proportion of non-performing loans to total credit increased from 21.50 percent as at the end of the second quarter to 21.86 percent as at the end of the third quarter. Details of these and other financial indicators are contained in this paper.

To Read Click [Financial Condition and Performance of Insured Banks in the Second and Third Quarters of 2005](#)

The Role of Deposit Insurance in Promoting Financial System Stability in Nigeria

**By Ganiyu A. Ogunleye, OFR
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The Nigerian Government established the Nigeria Deposit Insurance Corporation (NDIC) in 1988 as a proactive measure following the deregulation of the financial services industry under the Structural Adjustment Programme (SAP) introduced in 1986. The establishment of the NDIC marked the transition from implicit to explicit DIS in Nigeria. This paper examines the role of the NDIC in promoting financial system stability in Nigeria.

To Read Click [The Role of Deposit Insurance in Promoting Financial System Stability in Nigeria](#)

The Role of Deposit Insurance in Contributing To Financial Stability: A Global Perspective

By John Raymond Lambrosse

Secretary-General of International Association of Deposit Insurers (IADI)

This paper assesses various ways of protecting depositors. It emphasises the key role played by deposit insurance system (DIS) in that regard. The paper further brings out the key variables of importance in designing a good DIS drawing on the experiences of several countries.

To Read Click [**The Role of Deposit Insurance in Contributing To Financial Stability: A Global Perspective**](#)

The Challenges Of The NEEDS And Reform Of The Financial Services Sector

By O. J. Nnanna Ph.D

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This paper explores the challenges envisaged in the implementation of the National Economic Empowerment and Development Strategy (NEEDS), as they relate to the financial services sector reform process. Critical challenges identified include acceptability, inadequate technical skills, short-term job losses, political will and commitment as well as sustainability. The paper recommends the adoption of proactive actions such as embarking on comprehensive enlightenment campaigns and the institutionalization of the reform process to address these challenges.

To Read Click [**The Challenges Of The NEEDS And Reform Of The Financial Services Sector**](#)