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STANDARD CHARTERED & PREMISE MAP NIGERIA'S PRICING TRENDS VIA INNOVATIVE 'CONSUMER PRICE TRACKER'

Standard Chartered-Premise Consumer Price Tracker is the second to launch in the Bank's series of indicators, and suggests Nigeria's price pressures have eased between September and August

8 October 2014, Lagos Nigeria - The Standard Chartered-Premise Consumer Price Tracker ("the Tracker"), first announced in June 2014, has released its first set of figures. Partnering with the Premise Data Corporation, Standard Chartered aims to provide accurate, real-time price information for Nigeria, with the potential to publish the Tracker for other African economies in the longer term.

Already, hundreds of people in key Nigerian cities are engaged in capturing price information on their smartphones, with participants paid through top-up mobile phone credits. Photographs of food staples and their price tags are uploaded to a central database and where price tags are not on display, information on prices are entered manually. Each week, price information on approximately 21,000 food and beverage products, such as vegetables and cereals is captured, aggregated, and then analysed and structured into real-time consumer price inflation data. From this data and analysis we publish the Tracker.

Despite only starting this data collection at the beginning of August, the Tracker already reveals some interesting trends for August and September, including:

- The general price trend appears to be down. This contrasts with Nigeria's official year-on-year CPI inflation, where an unfavourable base is expected to trigger rising inflation in the coming months. As our prices are measured from 1 August 2014, the month to month rise in September is likely to be modest.
- Price declines in the 'grains and flours' category are responsible for much of the price downtrend. Price declines since 1 August in the starchy roots, tubers and plantains categories may also have helped. This is notable given the view expressed at the Central Bank of Nigeria's (CBN's) September policy meeting that food-price inflation may remain elevated given the impact of the Boko Haram insurgency and related disruptions to agriculture in parts of the country.

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- Price trends diverge widely between Lagos and Kano. This is especially true for the meat sub-index, with meat prices rising strongly in Lagos but falling in Kano.
- Alcohol prices have seen pronounced volatility, rising in August and correcting sharply in the latter half of September. It is probably too soon to read much into this.
- Given increased Nigerian naira (NGN) weakness in October, and evidence of greater market liquidity, we will watch the impact on prices closely in the weeks ahead.

The volume of economic data available in Sub-Saharan African economies remains low in comparison to international markets, with official statistics often being out of date. This creates a challenge for decision-makers in both the private sector and governments. A lack of reliable market statistics leads to uncertainty; adds to the cost of doing business and can impact the formulation of policies, business investment and expansion strategies. However, by adopting this innovative mobile data technology platform, we provide a potential solution to this problem.

Diana Layfield, CEO for Africa, Standard Chartered Bank, commented: *“Our indicators bring credible and reliable market data to our clients, investors and governments in Africa and abroad. Africa has been home to us for over 150 years – we understand its diverse culture, we understand the market dynamics, and we remain committed to using our expertise to ensure the continent fulfils its vast economic potential. In using innovative technology, our Consumer Price Tracker is set to be one of Nigeria’s key indicators when it comes to tracking price inflation.”*

Bola Adesola, CEO, Standard Chartered Nigeria added, *“Providing a reliable, easily accessible and credible insight into Nigeria’s general price trends is yet another example of how Standard Chartered is adding further value in supporting Nigeria’s economic growth prospects. Yes we are a Bank, but we bring additional benefits through our network, deep understanding of local markets and world-class research capabilities. This indicator demonstrates our commitment to being Here for good and Here for the long term.”*

Adrian Walkling, Head of Global Research, Standard Chartered Bank, added: *“Our clients value highly our unique on-the-ground insights coming from our footprint research and we continue to work at the frontier of data sourcing, analysis and presentation with our innovative technology partners, such as Premise Data”*

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Corporation. We recognise that differentiating our content through innovation keeps our research insights ahead of the pack.”

Over time, it will be possible to extend the price observations to other items such as personal care or healthcare products. Through the use of this ground-breaking technology, Standard Chartered and Premise hope to resolve the problem of information asymmetry in a way that will allow for a deepening of the general understanding of the Nigerian economy, and help to facilitate decision making with increased access and quality of information.

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Notes to Editors:

Standard Chartered

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Standard Chartered PLC is listed on the London and Hong Kong Stock Exchanges as well as the Bombay and National Stock Exchanges in India.

In Africa, Standard Chartered has more than 8,000 staff and a history of more than 150 years. Currently the Bank covers 37 markets on the continent – 16 on a local presence basis, and an additional 22 on a transaction basis supporting its clients. Given its unique footprint, Standard Chartered is ideally positioned to facilitate and support valuable trade and investment corridors intra-Africa, and between Africa and the rest of the world. Findings from an independent study confirm that Standard Chartered supports just under 2 million jobs in Sub Saharan Africa, and contributes more than USD10.7billion or 1.2% of the region's GDP. In leading markets such as Kenya, Ghana and Zambia, the Bank's operations provide work

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for just fewer than 3% of the local workforce. Standard Chartered's commitment to innovative partnerships such as '[Power Africa](#)' enables the Bank to live its brand promise to be 'Here for good', and facilitate the delivery of electricity to more than 20 million people and companies over 5 years.

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Premise Data Corporation

Premise is a real-world discovery infrastructure, combining a global network of data contributors with mobile technology to create unprecedented capacity to map economic reality on the ground. Premise combines millions of discrete data points to help its clients navigate unprecedented volatility in global inflation, industry competitive dynamics, and food security. To collect on-the-ground data, workers in 68 cities on four continents upload pictures and information about curated goods, services and food baskets multiple times a day using Premise's Android-based software. Headquartered in San Francisco, Premise is backed by The Social+Capital Partnership, Google Ventures, Andreessen Horowitz and Harrison Metal. For more information, visit premise.com