



**Welcome to the  
'Facilitating Africa-  
China Trade: The Role  
of Stanbic IBTC Bank'  
webinar**





<b>Agenda</b>		
<b>Welcome and Introduction</b>	<b>11.30-11:35am</b>	<b>Moderator Nancy Illoh-Nnaji</b>
<b>Welcome Address</b>	<b>11:35-11:40am</b>	<b>Demola Sogunle CE, Stanbic IBTC Holdings</b>
<b>Nigerian Economic Overview</b>	<b>11:40am - 11:50am</b>	<b>Muyiwa Oni Regional Head of Equity Research, West Africa, Standard Bank Group</b>
<b>ACTS Offerings</b>	<b>11:50am - 12:00pm</b>	<b>Luthando Vuba Head: Africa China Trade, Standard Bank Group.</b>
<b>Guamao Offerings</b>	<b>12pm - 12:10pm</b>	<b>Mike Zheng Overseas General Manager , ZheJiang International Trading Supply Chain Co., LTD.</b>
<b>Panel Discussion:</b>	<b>12:10pm – 12:30pm</b>	<b>Luthando Vuba Head: Africa China Trade, Standard Bank Group.</b>  <b>Muyiwa Oni Regional Head of Equity Research, West Africa, Standard Bank Group</b>  <b>Omoyemi Chukwurah Managing Director, Seams and Stitches Nigeria Ltd</b>  <b>Mike Zheng Overseas General Manager , ZheJiang International Trading Supply Chain Co., LTD.</b>
<b>Questions and Answers</b>	<b>12:30pm - 12:40pm</b>	
<b>Closing Remarks</b>		<b>Ade Otukomaya Head, Africa-China Banking, Stanbic IBTC Bank</b>



# Nancy Illoh-Nnaji

*Moderator*

- Welcome and Introduction



# Demola Sogunle

*Chief Executive, Stanbic IBTC Holdings*

**- Welcome Address**



# Muyiwa Oni

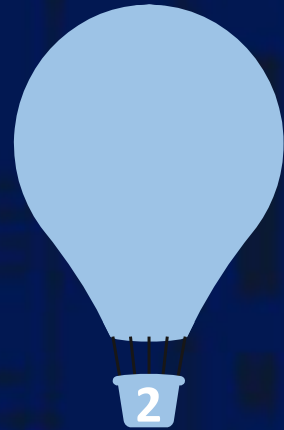
*Regional Head of Equity Research, West Africa,  
Standard Bank Group*

**- Nigerian Economic Overview**

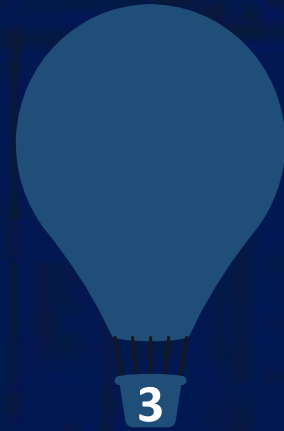
## SUMMARY OF KEY POINTS



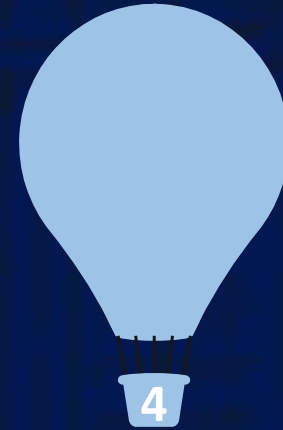
Covid -19 and  
how it is  
affecting our  
world



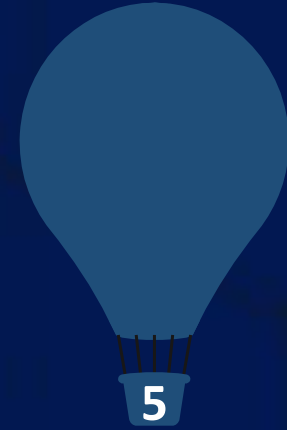
GDP growth  
trend and  
outlook



Inflation  
drivers and  
outlook

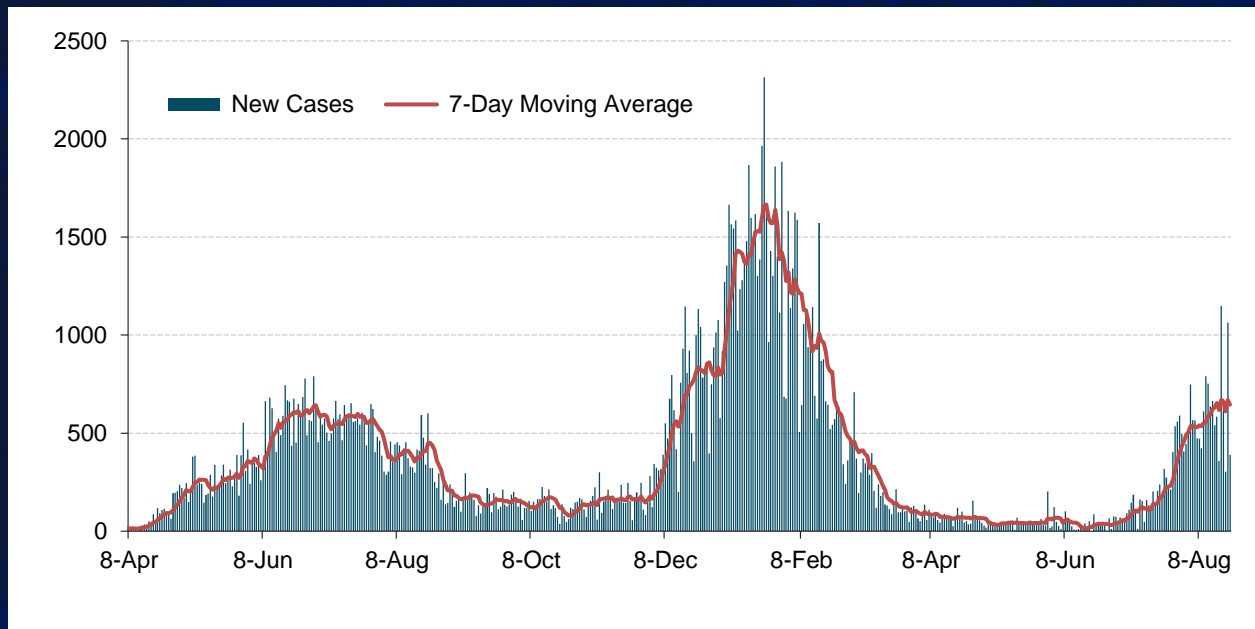


FX outlook and  
current  
account  
position



Government  
revenue and  
debt  
position

# RISING NUMBER OF NEW COVID-19 CASES



A snapshot of COVID-19 Cases in Nigeria as at 22/08/2021

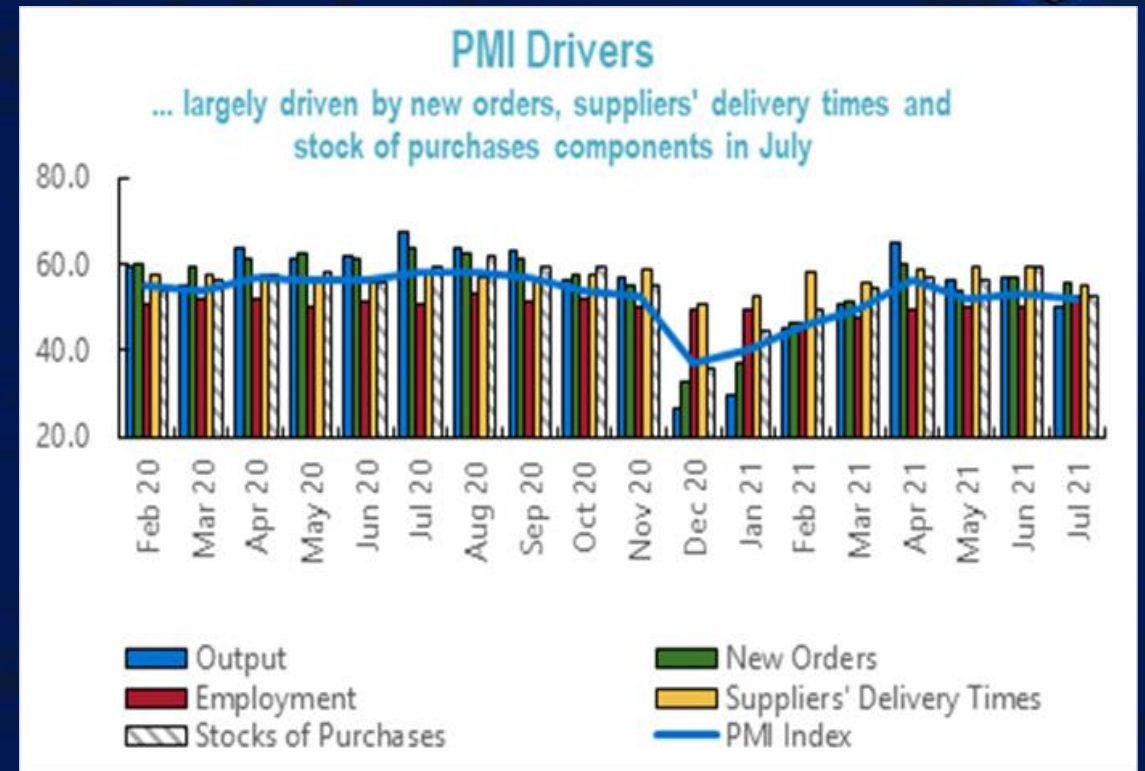
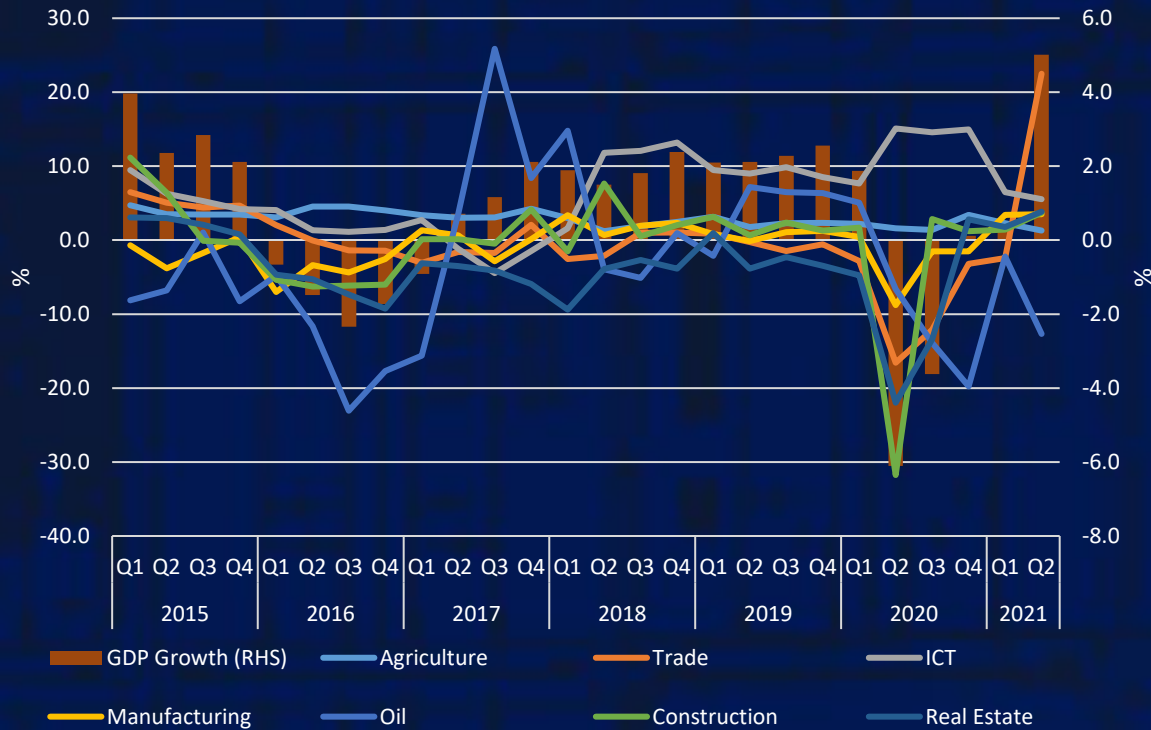
Total Samples Tested	2,727,834
Total Confirmed Cases	187,023
Recovered	168,455
Recovery Rate	90.1%
Deaths	2,268
Fatality Rate	1.2%

- We still expect oil prices to hover around the \$70/barrel range in expectations that supply will still outweigh demand. The downside to this view remains the case of the rising new variant case which is causing new restrictions in some countries.
- While interest rate hikes are still far in the future, the market has been debating whether rising inflation could get the Fed to move sooner to end its bond-buying program and start its rate-hiking agenda.
- Nigeria vaccination: 2.52million people (126% of the 2million people targeted for the first phase) received their first dose and 1.4million (70% of target) were fully vaccinated.
- The second phase of vaccination is expected to start this August.

# TRADE, ICT, MANUFACTURING AND CONSTRUCTION DRIVE Q2:21 GROWTH



## Key sector growth rates

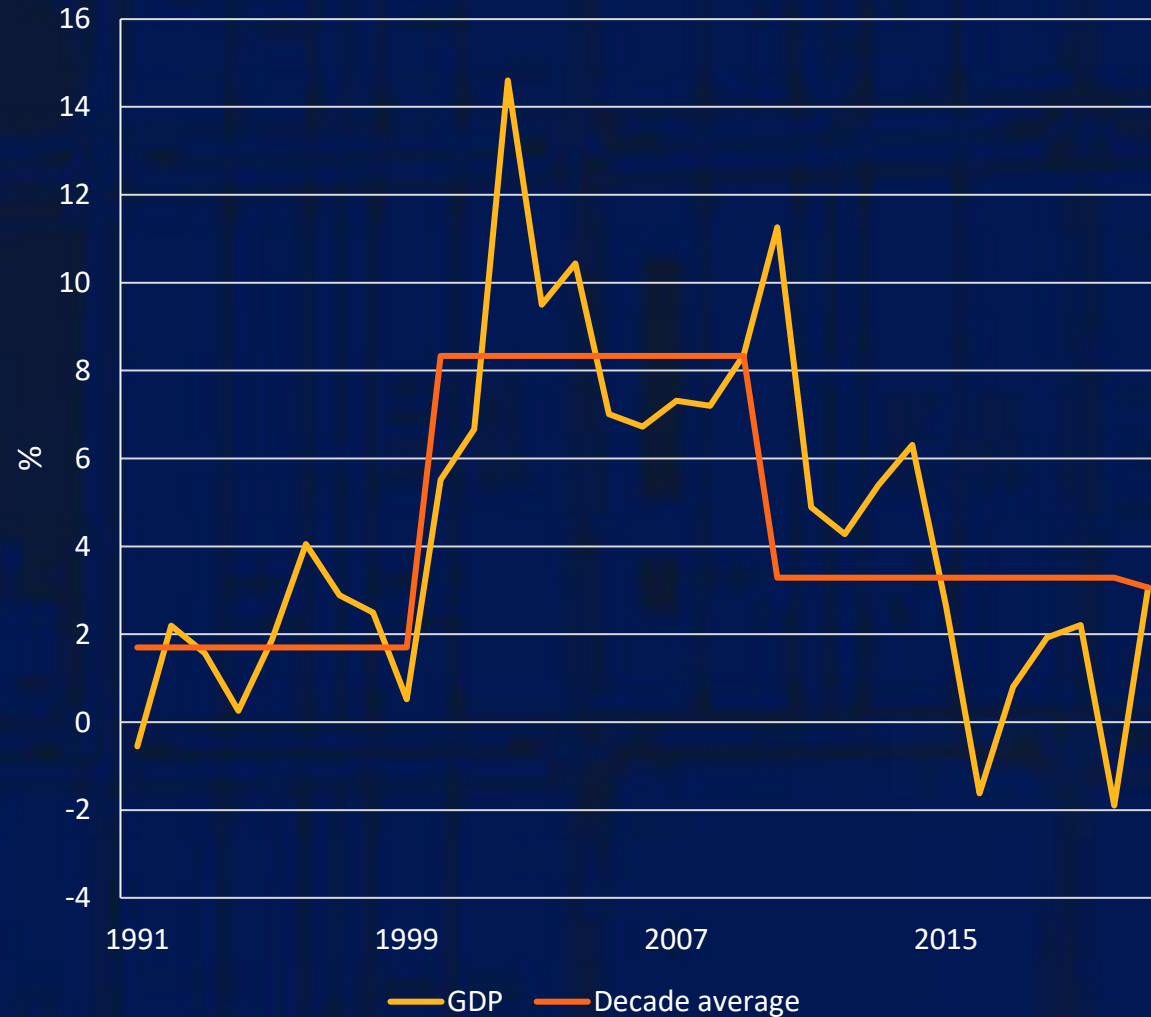




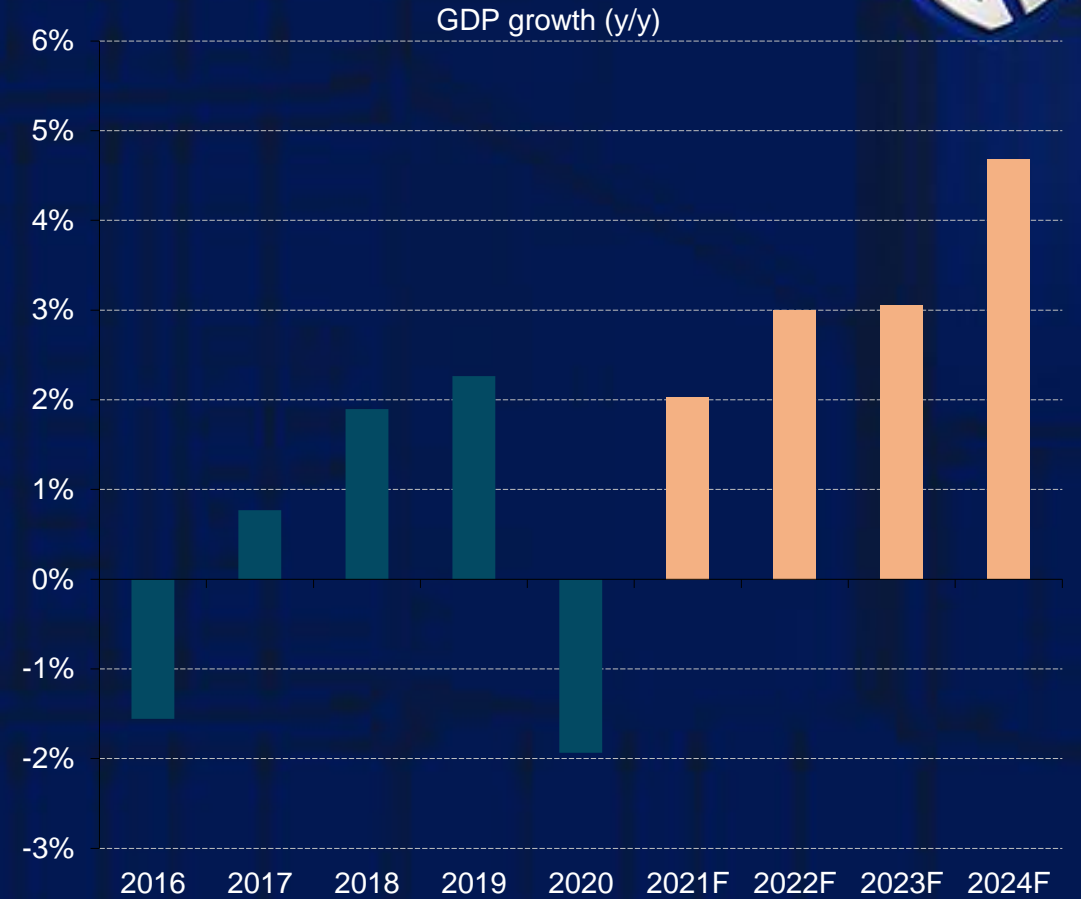
# AGRICULTURE AND ICT SECTORS TO DRIVE 2021 RECOVERY



## Historical GDP growth



## Growth Expectation

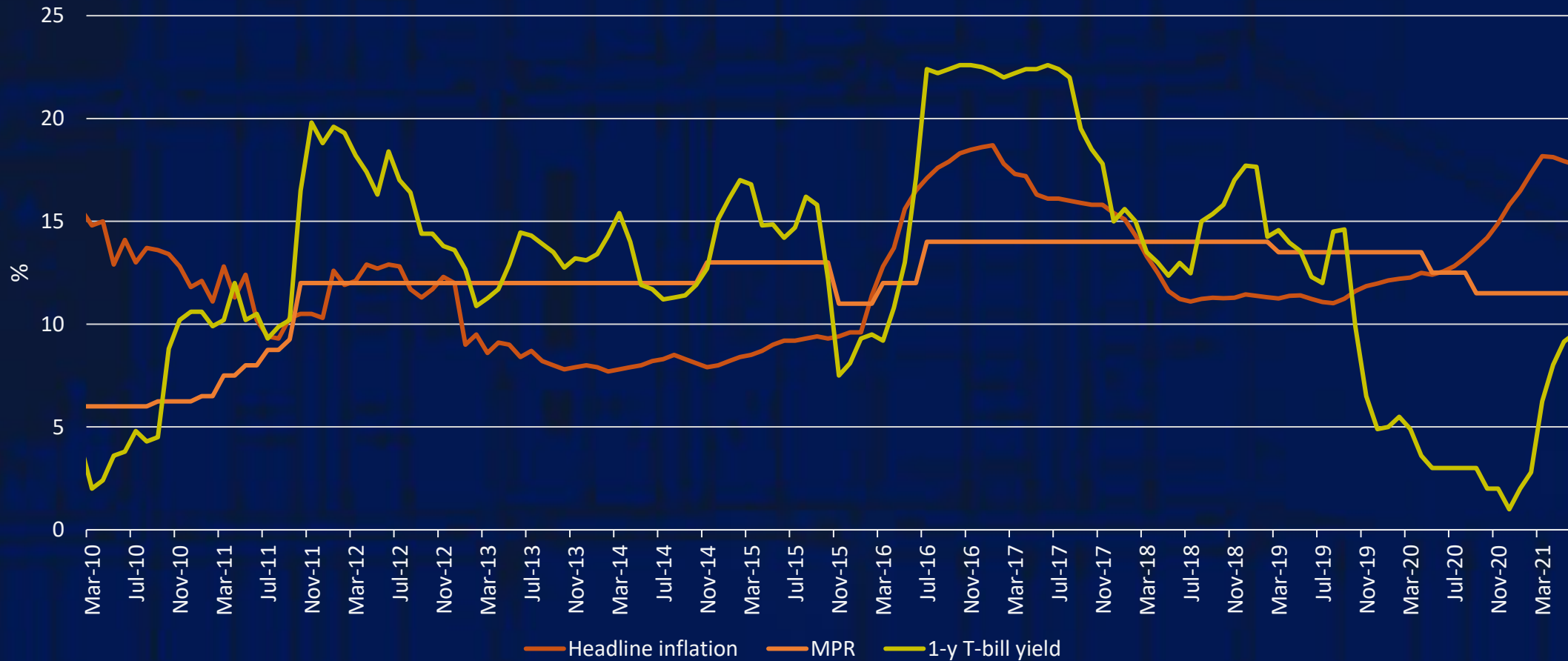


Source: National Bureau of Statistics; Standard Bank Research

# INFLATION COOLING OFF AMID BASE EFFECTS AND SLOWER RISE IN FOOD INFLATION



Inflation, policy rate and 1-y T-Bill yield



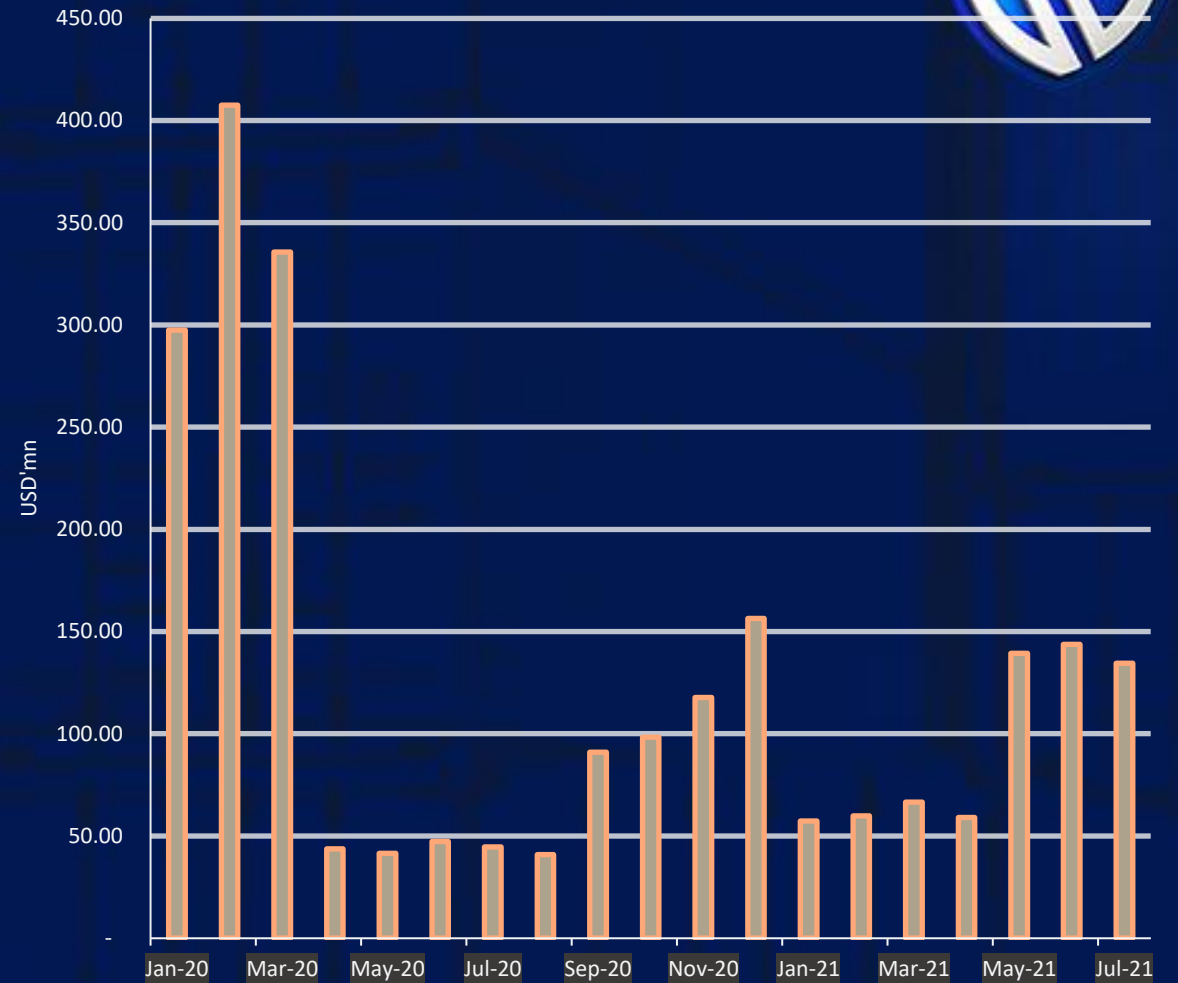
# FX: PARALLEL MARKET RATE JUMPS C.500; LIQUIDITY PRESSURES PERSIST



### USD/NGN Rate



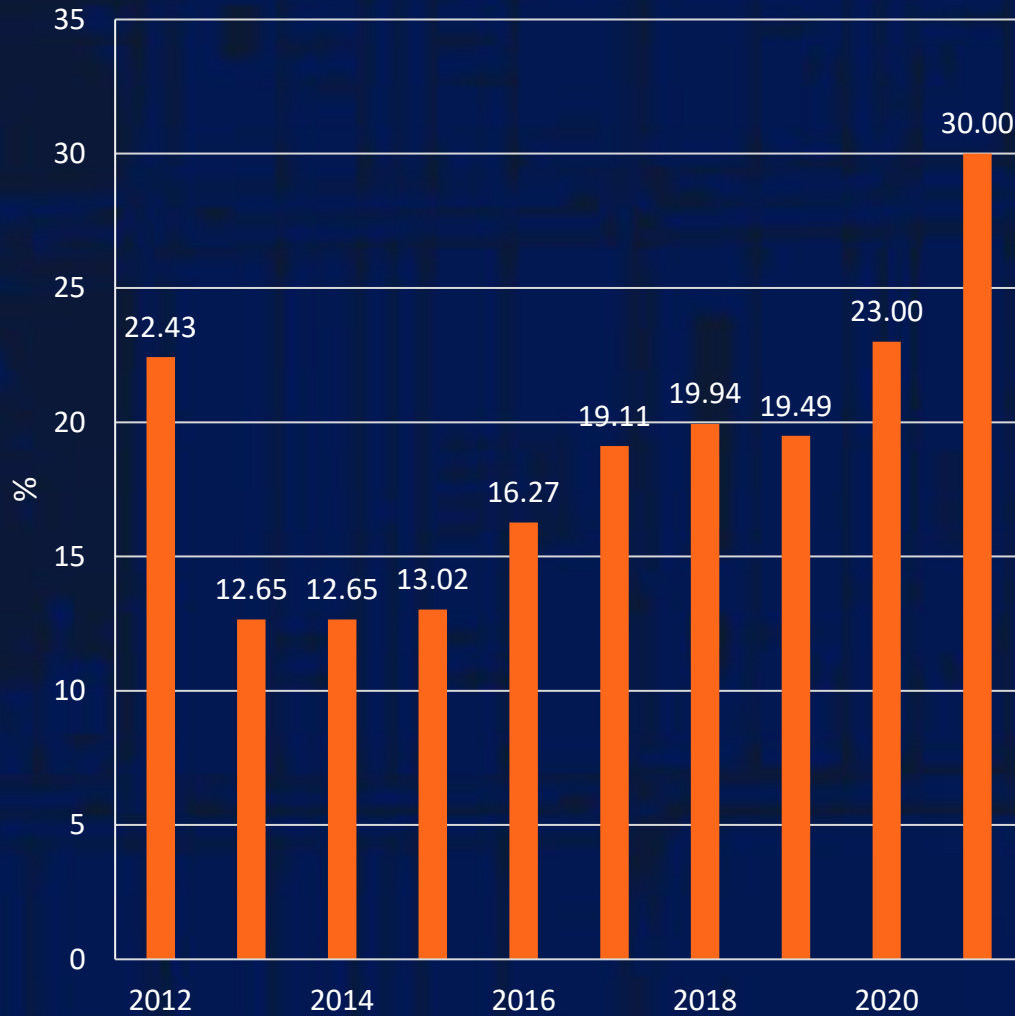
### Avg. daily turnover in the IEFX Market



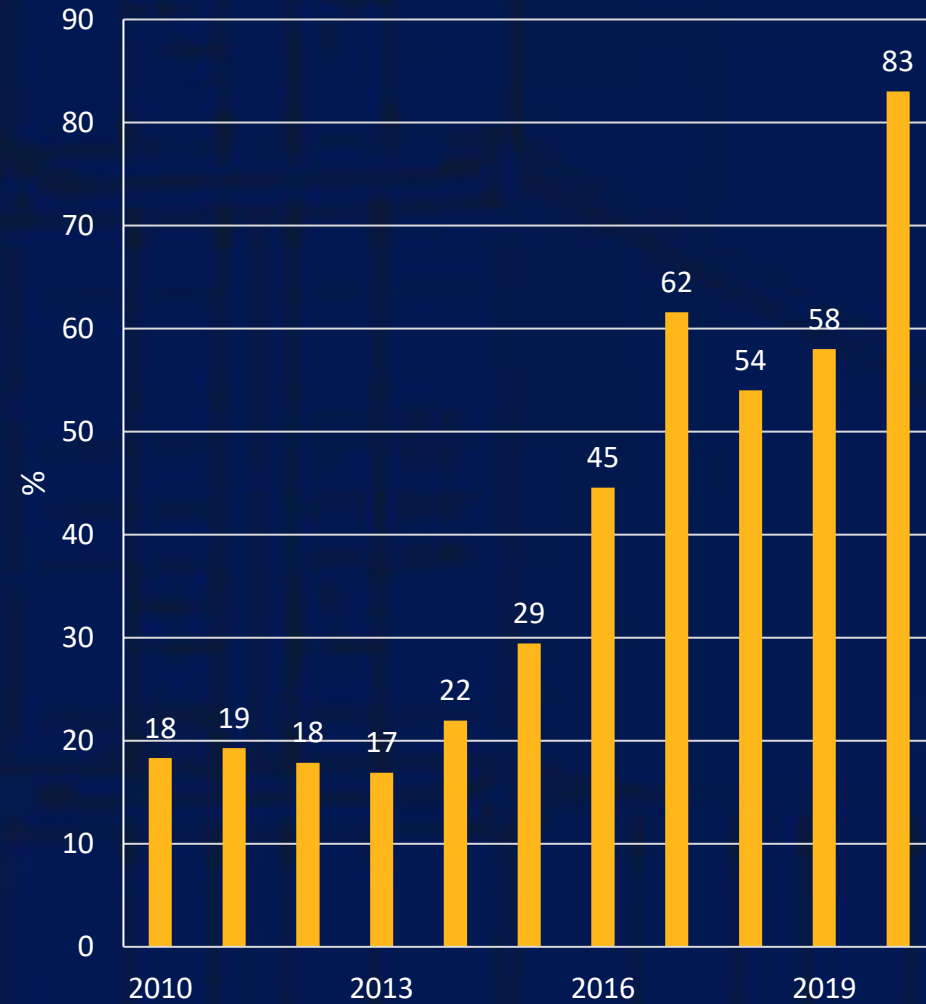
# REVENUE MOBILIZATION REMAIN MAJOR SOURCE OF FISCAL PRESSURE



### Debt-to-GDP (%)



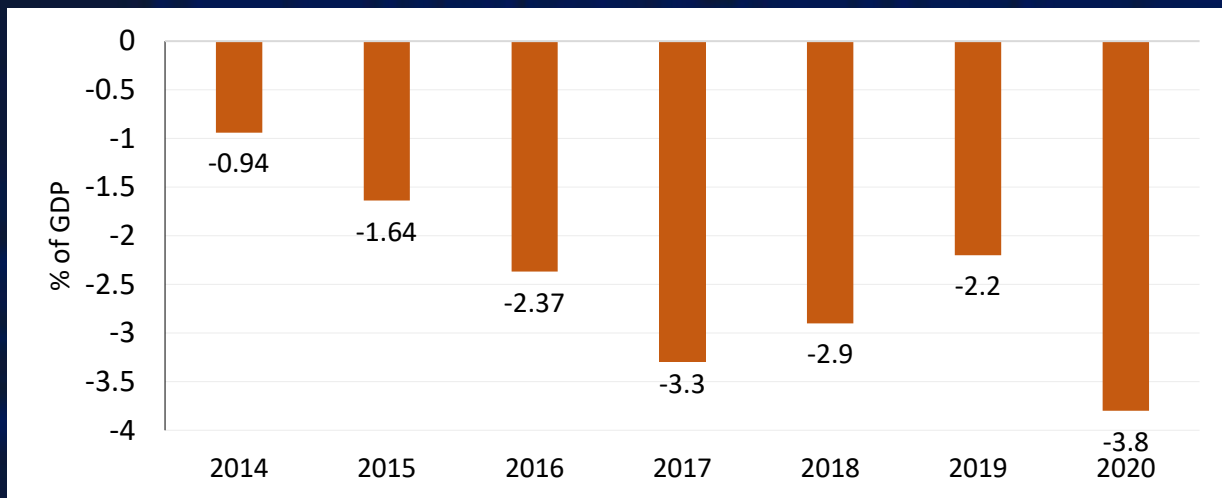
### Debt service-to-Revenue (%)



# FISCAL DEFICIT AND FINANCING PLANS



## Fiscal Deficit as a % of GDP

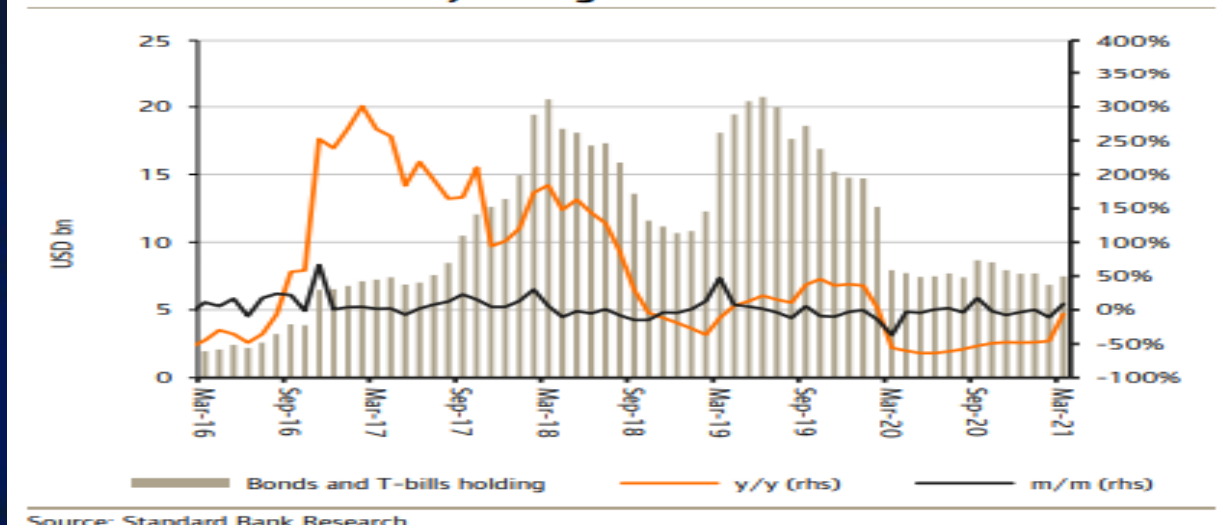


Source: Budget office, NBS, Standard Bank Research

## Recent Financing Plans

- The Senate approved issuance of not more than \$6.18 billion Eurobond for financing of part of the deficit contained in the approved 2021 Appropriation Act.
- The IMF-Special Drawing Rights (SDRs) allocation of \$3.35 billion to Nigeria is expected to further boost FX reserves.

## Domestic debt held by foreigners



Source: Standard Bank Research

## Nigeria's Sovereign Ratings;

S&P and Fitch downgraded Nigeria's credit rating a notch lower in 2020 as the twin shocks of Covid-19 and lower oil prices significantly impacted fiscal revenues in the absence of no adequate buffer.

S & P: B-

Fitch: B

# NIGERIA: SUMMARY



## Forecasts

	2018	2019	2020	2021f	2022f	2023f	2024f	2025f
GDP (% yr)	2	2.3	-1.9	2.0	3.0	3.1	4.7	4.9
Current account (USDbn)	12.4	-17	-16.8	-14	-11	-9	8	12
CPI (% yr) average	12.2	11.4	13.2	15.5	12.4	11.4	11.8	11.5
Policy rate (%) – end period	14	13.5	11.5	11.5	11	11	11	11
5-year rate (%) – end period	15.8	10	3	13	12.5	11.5	11	11
USD/NGN – end period	365	365	400	430	440	460	460	460



# Luthando Vuba

*Head: Africa China Trade, Standard Bank Group*

**- ACTS Offerings**

# AFRICA CHINA TRADE SOLUTIONS

## CLIENT VALUE PROPOSITION



**“We connect clients to opportunities.  
We connect African buyers to Chinese  
suppliers, and African suppliers to buying  
opportunities in China.**

**We connect our clients to seamless Africa-China  
Trade.”**



# AFRICA-CHINA TRADE SOLUTIONS



## IMPORT

- We provide a one-stop-shop for you to easily find Chinese suppliers, through our Import Partner – Guomao.
- You'll receive favourable payment terms: 20%-30% deposit, 70% once goods are ready to be shipped.
- Our Import Partner offers additional support to you by undertaking inspection on your behalf to check quality and quantity is in order.



## EXPORT

- We help you access the China market through our vetted export agents who help you get export-ready or to assist you across the export value chain.
- We also can assist you with your exports by loading your products onto the ICBC e-Mall, an e-commerce platform provided by the biggest Bank in China, which is used by their large customer base.



## TRAVEL

- Are you in the hospitality industry? We can assist you to get your services marketed in the Chinese market through the ICBC e-Mall.
- We can also help you to target your marketing for Chinese tourists travelling in Africa through the ICBC I-Go programme, a rewards programme for the ICBC customers.

# AFRICA CHINA TRADE – IMPORT SOLUTION

## SINO TRUCKS

No. of Units	Model/Description of Unit(s)
1	SINOTRUCK HOWO 6*4 DUMP TRUCK LEFT HAND DRIVE
2	Sino Howo A7 6x4 Tractor Truck
3	Sino Howo 7 6x4 Tractor
	Sino Howo7 6x4 Dump Truck
	3 Axel Flatbed Semi-Trailer
1	Sino Howo 7-Water Bowser
2	Sino Howo 7 Dumper
1	Sinotruck Howo 8x4 Dump truck
2	40 Feet 3Axles Flatbed Semi-trailer
1	6x6 Howo Water well drilling machine and parts
1	Sino Howo 7 6x4 Concrete mixer RHD 14 CBM
2	Sino Howo 7 8x4 Concrete mixer RHD 16CBM
1	Sino Howo 6x4 29.2m Concrete pump truck
1	Concrete batching plant - mixer truck



## AGRICULTURE TOOLS & EQUIPMENT

Items
Axe Head with wood handle
Pick Black color
Matchet with Wood handle
Hoe head Cock Brand
Hoe handle
Shovel Black coating and grip
Sickle
Shovel 2kg
Blue PVC Layflat Hose
Orange PVC Suction Hose
Stainless Connector
Stainless Clamp
Hoe Head
Hoe handle
Matchet with Wood handle
Matchet with PVC handle
Slasher, with PVC handle
Five rows maize planter
Twelve Discs Disc Harrow
Nine rows wheat planter

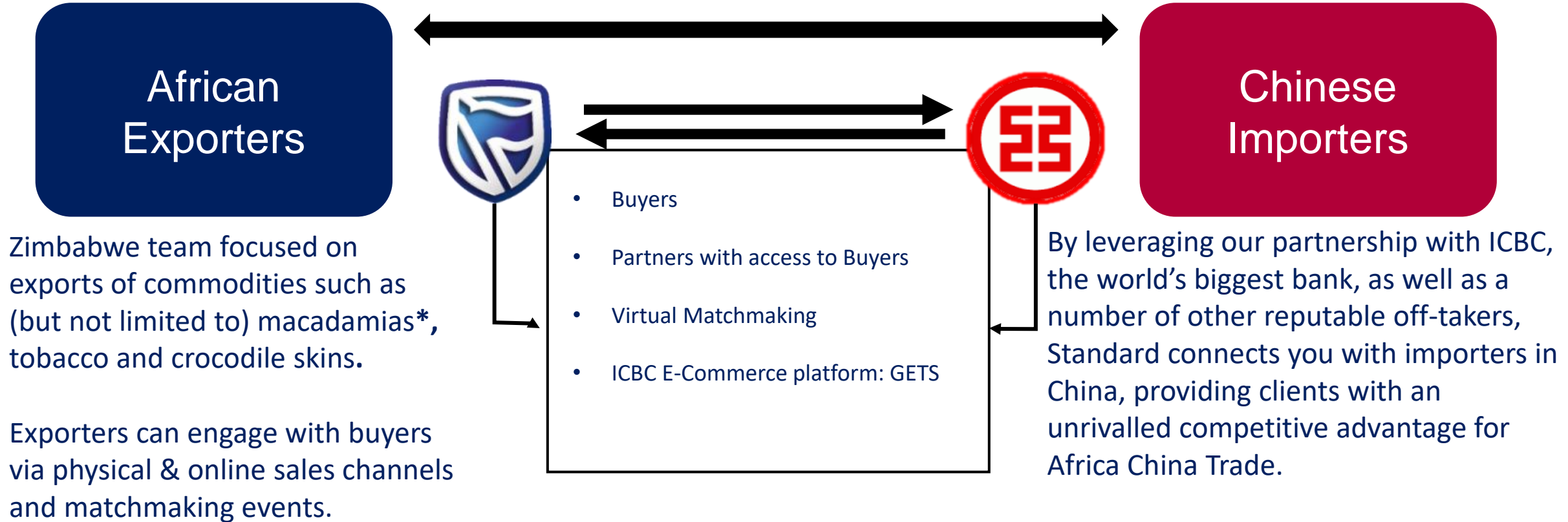


## MEDICAL – COVID 19 RESPONSE

Items
Disposable Medical 3ply Surgical Mask
KN95 Surgical mask
KN95 Medical mask
Disposable KN95 mask
Isolation gown
Mop caps
Shoe overlays
Safety goggles
Covid rapid testing kit



## CONNECTING YOU TO REPUTABLE BUYERS IN CHINA



\*Protocol in place for exports to China



# VIRTUAL MATCHMAKING

## LEVERAGING DIGITAL CAPABILITY FOR OUR EXPORT SOLUTION

In 2020, due to the challenge of the pandemic for physical travel and physical gatherings, we pivoted to Virtual Matchmaking events. We used these to connect our African exporters to Chinese off-takers who were interested in alternative markets or African products:

- The 1<sup>st</sup> one was held in October 2021 with 23 Exporters participating with over 50 Chinese off-takers.
- The first event was successful and then we went on to host two more in November and December 2021. Matchmaking sessions are product focused, thereby bringing buyers and suppliers of specific products
- A total of 65 African companies participated across the 3 Virtual Matchmaking events in Q4 of 2020
- Some of the products were Macadamia, Cashew, Coffee beans, Cocoa bean to mention a few
- In 2021: This now a quarterly event



# AFRICA-CHINA EXPORT INITIATIVES CAETE AND CIIE



# HOW WE SUPPORT OUR CLIENTS WITH THEIR CHINA IMPORT



*"Innovative Water Solutions"*



Prosep Chemicals provides a total water management system in South Africa and imports goods from China when developing water management solutions for clients. CEO of Prosep Chemicals, Steve Evans, approached Standard Bank's Africa China Banking division to assist with sourcing trusted suppliers and facilitating a visit to China.

## **Assisted Prosep Chemicals to identify the right suppliers**

Standard Bank introduced Steve to the China Trade Agent, who assisted in making the travel arrangements for Steve, identifying the right suppliers for Prosep Chemicals and setting up meetings between Steve and the suppliers across China.

## **Navigating language and cultural barriers**

During the trip to China, the agent accompanied Steve to assist in communicating effectively with the potential suppliers.

## **Improving Cross-Border Payment Efficiencies**

Previously, Prosep Chemicals would need to make a 50% advance payment before goods in China would be manufactured and the balance of payment prior to shipment. With the introduction of Standard Bank's Africa China Trade solution, Prosep Chemicals is now able to make a 20% advance payment with a 90-day letter of credit, ensuring that quality goods will arrive as per the company's specifications.



# Mike Zheng

*Overseas General Manager , ZheJiang  
International Trading Supply Chain Co.,*

**- Guomao Offerings**

# 目录

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01 About Guomao

02 Quality of China

03 Guomao's Roles







01

# About Guomao

# Have you encountered pain points in the process of your trading with China



📍 Have you experienced a situation where your supplier delivered products that did not meet your requirements and you already made full payment ?

📍 **Have you experienced a situation where after receiving a piece of equipment you purchased, you find it difficult to resolve post-sale service issues because you couldn't get through to the supplier?**

📍 Have you been looking for a trustworthy company that can help you import products from or export products to China?

📍 Have you ever had the plan to purchase series of equipments but with limited funds and couldn't obtain trust and support from China exporters ?

📍 Have you been looking for a way to ensure the safety and efficiency of your funds while been in your country as a result of the present challenges of international travel ?



## 21 years Experience in International trade

### ➤ Full quality control

- Guomao is an enterprise with 21 years experience in foreign trade. We provide services to 3,500 foreign Clients. We have accumulated and deposited a batch of almost 10,000 high-quality suppliers.
- Together with the professional QC team, suppliers' background inspection can be carried out before placing orders and quality control of the products are ran before loading and sending to customers.

### ➤ Reducing the risk of supplier fraud

- We have a professional team of international lawyers, with which trade risks to suppliers can effectively be reduced



### ➤ Varied kinds of Payment Terms

- As the only partner of Stanbic IBTC Bank in China and one of the largest foreign trade companies in China, we have TT, LC, DP and other payment methods to ensure the security of Your Business and capital.

### ➤ AEO Advanced Customs Certification & Clearance

- We are also an AEO(Authorized Economic Operator), so the clearance of goods exported from China to Nigeria customs will be much easier and faster.

# Specialised Industry of Guomao

## Agriculture Equipment ( YTO, ZOOMLION, MEYER, AMD )



## Construction and Mining Equipment ( XCMG, SHANTUI SINOMATCH SINOTRUK )



# Specialised Industry of Guomao

## Solar Products (Brand: JINKO, JA, Talesun, Longi)



## Plant Production Line Equipment



## Amusement Equipment



## All kinds of Party Tent





02

## Quality of China

# www.qualityofchina.cn

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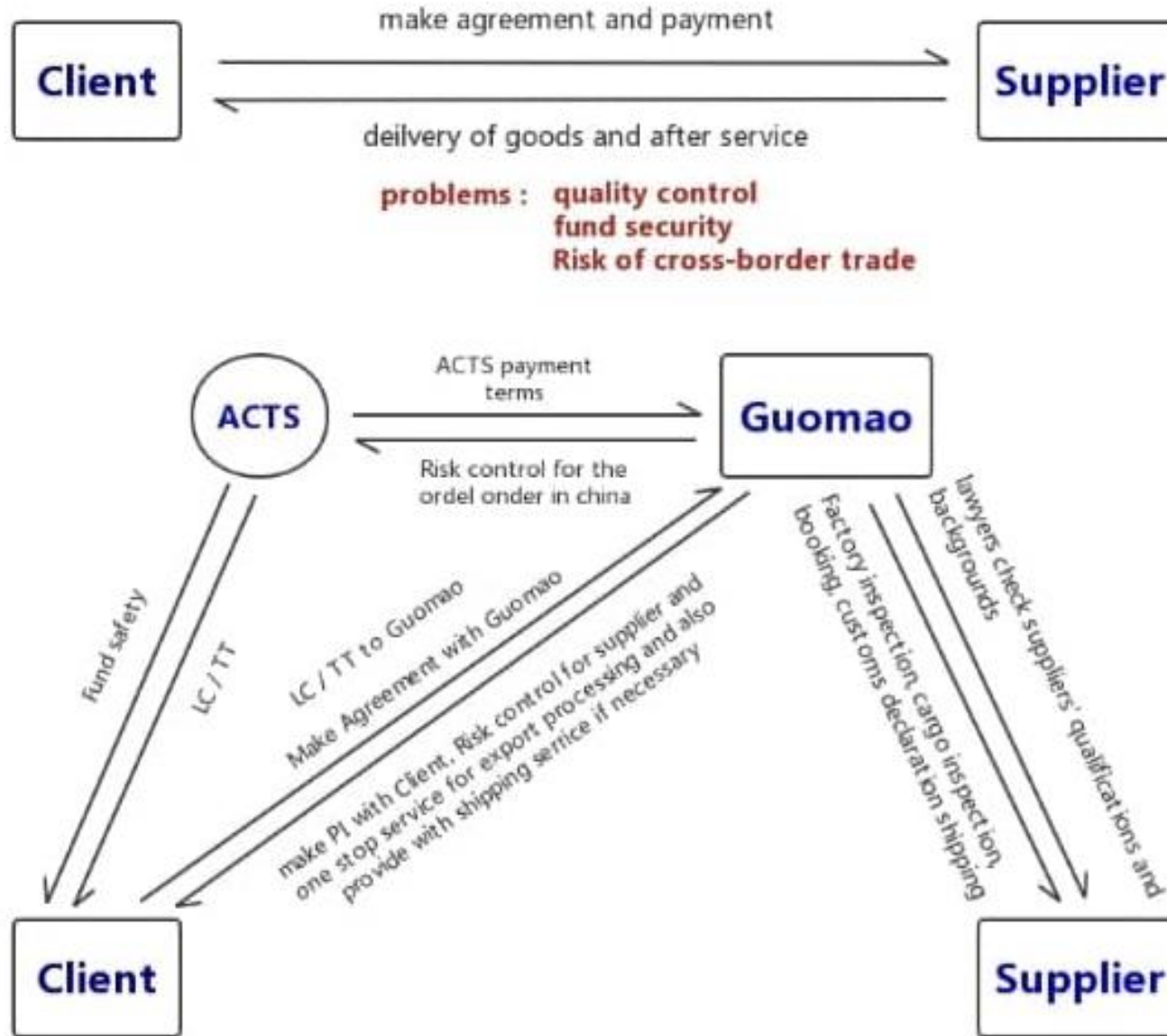




**03**

# **Guomao's Roles**

# Guomao plays an important Role in Africa-China Business



# Stanbic IBTC ACTS Team is our Best Choice !

One-stop service to facilitate importers' customer satisfaction in a seamless way.



Easier, more efficient

1. Saves your time by placing and taking charge of your whole order
2. Guomao's whole specialised one-stop export service will make order execution easier ;
3. Guomao is Stanbic IBTC Bank's only partner, therefore just feel free to communicate with the ACTS team and Guomao anytime you need help .



High risk Business Reduction On

1. Product's Quality;
2. Risk in fund transfer ;
3. Supplier Risk ;
4. Export and import processes;

# Some thoughts on China-Africa Trade



**COSCO Haikong: net profit in the first half of the year**

**increased by 3162% year on year**

On 7 July, COSCO announced that it expected to achieve a net profit of 37.093 billion yuan in the first half of the year, compared with about 1.137 billion yuan in the same period last year.

1

With the changes of business environment between Africa and China and the impact of Virus spreading, Africa and China Business still face big challenges.

2

With the rapid development of China-Africa Trading Business, the industry of agriculture, construction and other industries is growing strongly now and in future. However export the products which need in China from Africa to China has also become a trend.

3

Unlike before, more and more clients have started paying more attention to the quality of product, full-after sales service and business security.



# Panel session 'Facilitating Africa-China Trade: The role of Stanbic IBTC Bank'



**Luthando Vuba**  
Head, Africa China Trade, Standard Bank Group.



**Muyiwa Oni**  
Regional Head of Equity Research, West Africa, Standard Bank Group



**Omoyemi Chukwurah**  
Managing Director, Seams and Stitches Nigeria Ltd



**Mike Zheng**  
Overseas General Manager , ZheJiang International Trading Supply Chain Co., LTD





# Q and A Session





# Ade Otukomaya

Head, Africa China Banking, Stanbic IBTC Bank

**- Closing Remarks**

# Thank you



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