



Central Bank of Nigeria

Banking Supervision Department
Plot 33, Abubakar Tafawa Balewa Way
Central Business District
P.M.B 0187, Garki, Abuja - Nigeria.
Email: bsd@cbn.gov.ng
Website: www.cbn.gov.ng
Phone: +234 700-225-5226, +234 800-225-5226

BSD/DIR/PUB/LAB/017/005

April 17, 2024

LETTER TO ALL BANKS

RE: REGULATORY MEASURES TO IMPROVE LENDING TO THE REAL SECTOR OF THE NIGERIAN ECONOMY

The Central Bank of Nigeria's (CBN) regulatory directive on the above subject dated **January 20, 2020**, referenced **BSD/DIR/GEN/LAB/12/070** refers.

Following a shift in the Bank's policy stance towards a more contractionary approach, it is imperative to review the loan-to-deposit ratio (LDR) policy to align with the current monetary tightening by the CBN.

Accordingly, the CBN has decided **to reduce the LDR by 15 percentage points to 50%**, in a similar proportion to the increase in the CRR rate for banks. All DMBs are required to maintain this level and are further advised that average daily figures shall continue to be applied to assess compliance.

While DMBs are encouraged to maintain strong risk management practices regarding their lending operations, the CBN shall continue to monitor compliance, review market developments, and make alterations in the LDR as it deems appropriate.

Please be guided accordingly.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Dr. Adedeji', written over a horizontal line.

DR ADETONA S. ADEDEJI
AG. DIRECTOR, BANKING SUPERVISION DEPARTMENT