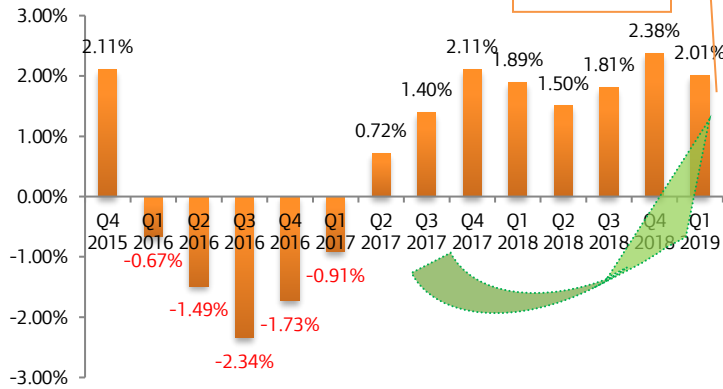




GDP Update: Q1 2019

MPR: 13.50%
April'19 Inflation Rate: 11.37%

Y-o-Y Real GDP Growth Rates



Telecoms, Agric and Construction Sectors Drive Q1 2019 Real Output Growth by 2.01% Y-o-Y.

- Nigeria's real Gross Domestic Product grew year-on-year (y-o-y) by 2.01% to N16.42 trillion in Q1 2019, but slower than 2.38% growth to N19.04 trillion registered in Q4 2018. The non-oil sector which accounted for the improved GDP number grew y-o-y by 2.47% to N14.92 trillion. This was majorly attributed to the 9.48% growth witnessed in ICT sector to N2.19 trillion (of which telecoms share of GDP constituted 10.11%).
- In addition, the Agricultural and Construction sectors revved by 3.17% and 3.18% respectively to N3.60 trillion and N0.67 trillion respectively from the N3.49 trillion and N0.65 trillion printed in Q1 2018.
- However, Oil & Gas sector contracted y-o-y by 2.40% to N1.50 trillion in Q1 2019 (a reversal from the 14.02% rise in Q1 2018). This was chiefly due to the drop in crude oil price in the quarter under review. Quarterly average crude oil price fell to USD64.60 per barrel in Q1 2019 from USD67.70 in Q1 2018.
- On a quarter-on-quarter basis, the 13.77% decline in economic growth was adduced to the 15.69% decline in non-oil sector, despite the significant growth of 11.60% printed in oil & gas sector in the quarter under review.

The improved 2.01% y-o-y real GDP growth was reflective of improved business sentiment and investments in an environment of favourable monetary policies and macroeconomic variables, particularly exchange rate and inflation rate. Furthermore, we expect growth to improve in the Q2 2019.

Major Sectors	Q1 2019	Q4 2018	Q-o-Q %Change
Oil & Gas (N 'Trn)	1.50	1.34	11.60%
Y-o-Y %Change	-2.40%	-1.62%	
Non-Oil Sector (N 'Trn)	14.92	17.70	-15.69%
Y-o-Y %Change	2.47%	2.70%	
Quarter GDP (N 'Trn)	16.42	19.04	-13.77%

Share of Real GDP (%)	Q1 '19 Share of Real GDP	Q1 '19 y-o-y Growth (%)	Q4 '18 y-o-y Growth (%)
Agriculture	21.91%	3.17%	2.46%
Trade	16.87%	0.85%	1.02%
Info & Comm	13.33%	9.48%	13.20%
Manufacturing	9.80%	0.81%	2.35%
Mining & Quarrying	9.21%	-2.31%	-1.23%
Real Estate	5.58%	0.93%	-3.85%
Construction	4.09%	3.18%	2.05%
Profes, Sci & Tech Services	3.50%	1.73%	0.46%
Financial Services	3.21%	-7.60%	-4.81%
Education	2.11%	0.18%	0.35%
Other Economic Activities	10.39%		
Q4 2018 Real GDP	N16.42 Trn	2.01%	2.38%

Source: National Bureau of Statistics, Cowry Research
Growth Rates: Year-on-Year

IMPORTANT DISCLOSURES: This report is produced by the Research Desk, Cowry Asset Management Limited (COWRY) as a guideline for Clients that intend to invest in securities on the basis of their own investment decision without relying completely on the information contained herein. The opinion contained herein is for information purposes only and does not constitute any offer or solicitation to enter into any trading transaction. While care has been taken in preparing this document, no responsibility or liability whatsoever is accepted by any member of COWRY for errors, omission of facts, and any direct or consequential loss arising from the use of this report or its contents