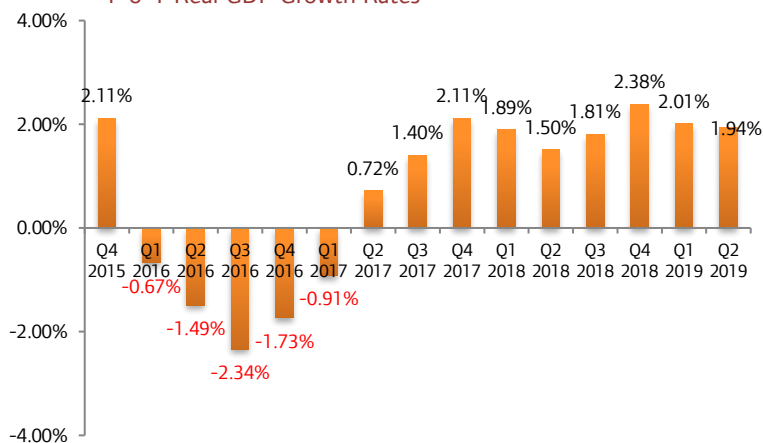




GDP Update: Q2 2019

MPR: 13.50%
July 19 Inflation Rate: 11.08%

Y-o-Y Real GDP Growth Rates



Real GDP Rises by 1.94% Y-o-Y on the back of Oil & Gas, Telecoms Sectors.

- Nigeria's real Gross Domestic Product grew year-on-year (y-o-y) by 1.94% to N16.90 trillion in Q2 2019, but slower than 2.01% growth registered in Q1 2019. The Oil & Gas sector which chiefly accounted for the improved GDP number grew y-o-y by 5.15% to N1.49 trillion in Q2 2019 (a reversal from the negative 3.95% decline in Q2 2018). This was chiefly due to the increase in crude oil production in the quarter under review. Quarterly average crude oil output rose to 1.87 million barrels per day (bpd) in Q2 2019 from 1.66 million bpd in Q2 2018. Also, average crude oil price (bonny light) rose by 8.16% to USD69.87 per barrel in Q2 2019 from USD64.60 per barrel in Q2 2018.
- Similarly, the non-oil sector grew y-o-y by 1.64% to N15.41 trillion; although at a slower pace compared to 3.01% in Q2 2018. This was chiefly due to the 11.34% output growth seen in telecoms space to N1.92trillion (of which telecoms share of GDP constituted 11.39%)
- In addition, the Agricultural and Construction sectors revved, but at a slower pace, by 1.79% and 0.67% respectively to N3.86 trillion and N0.75 trillion respectively from the N3.79 trillion and N0.74 trillion printed in Q2 2019.

The slower improvement in the non-oil sector indicates that the fiscal authority still needs to rejig its policies as current efforts appear to be less effective – given that the increase in output over the past few years is not commensurate with its average annual expenditure. Hence, market driven policies are expected to be implemented in order to stimulate the real sector for increased productivity.

Major Sectors	Q2 2019	Q1 2019	Q-o-Q %Change
Oil & Gas (N 'Trn)	1.49	1.50	-0.60%
Y-o-Y %Change	5.15%	-2.40%	
Non-Oil Sector (N 'Trn)	15.41	14.92	3.30%
Y-o-Y %Change	1.64%	2.47%	
Quarter GDP (N 'Trn)	16.90	16.42	2.94%

Share of Real GDP (%)	Q2 '19 Share of Real GDP	Q2 '19 y-o-y Growth (%)	Q1 '19 y-o-y Growth (%)
Agriculture	22.82%	1.79%	3.17%
Trade	16.10%	-0.25%	0.85%
Info & Comm	14.57%	9.01%	9.48%
Manufacturing	9.10%	-0.13%	0.81%
Mining & Quarrying	8.97%	5.02%	-2.31%
Real Estate	6.44%	-3.84%	0.93%
Construction	4.45%	0.67%	3.18%
Profes, Sci & Tech Services	3.56%	1.21%	1.73%
Financial Services	3.18%	-2.24%	-7.60%
Education	1.78%	0.96%	0.18%
Other Economic Activities	9.03%		
Q4 2018 Real GDP	N16.90 Trn	1.94%	2.01%

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

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