

NIGERIA'S GDP GREW AT 2.98% IN Q1'2024 vs 2.31% IN Q1'2023

- ❖ Nigeria's Gross Domestic Product (GDP) grew by 2.98% year-on-year in Q1 2024, as per Bloomberg's estimate of 3.49%. This surpassed the 2.31% growth rate in Q1 2023 but fell short of the 3.46% year-on-year growth in Q4 2023. The real GDP for Q1 2024 was N18.28 trillion, down from N21.77 trillion in Q4 2023.
- ❖ The expansion in the national output was mainly driven by the oil sector, which grew by 5.70% year-on-year in Q1 2024, a significant improvement from -4.21% in Q1 2023 and +12.11% in Q4 2023. The National Bureau of Statistics reported an increase in average production from 1.55 million barrels per day (mbpd) in Q4 2023 to 1.57 mbpd in Q1 2024, marking the highest oil output since 1.57 mbpd was reported in Q3 2021. However, the average Brent crude oil price declined by 1.32% from \$82.85 per barrel to \$81.76 per barrel. The oil sector's contribution to the GDP increased to 6.38% from 4.70% in Q4 2023.
- ❖ On the other hand, the non-oil sector grew at a slower rate of 2.80% year-on-year in Q1 2024, down from 3.07% year-on-year in Q4 2023 but slightly higher than the 2.77% year-on-year growth seen in Q1 2023. Analysing the data, the Agriculture sector experienced a decline of -0.18% year-on-year from +2.10% year-on-year, while the Mining & Quarrying sector declined to +6.30% year-on-year from +6.33% year-on-year, and the ICT sector decreased to +5.43% year-on-year from +6.33% year-on-year. However, the Finance and Insurance sector improved to +31.24% year-on-year from +29.78% year-on-year in Q4 2023. Consequently, the non-oil sector's contribution to the gross domestic product decreased to 93.62% from 95.30% in Q4 2023.

