

Nigeria's Economy Accelerates on Oil Boost, Expands 4.23% in Q2-2025

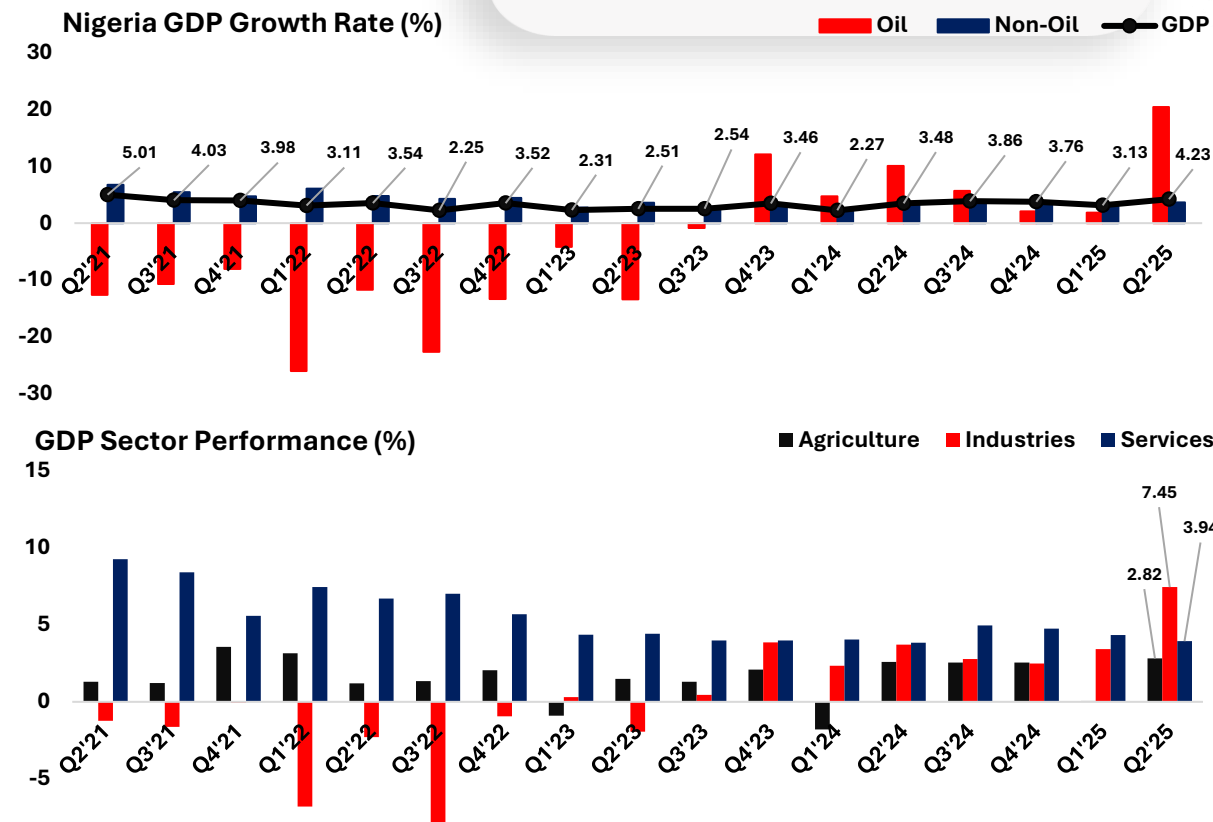
Nigeria's economy grew by 4.23% YoY in Q2 2025, higher than the 3.48% growth in Q2 2024 and 3.13% in Q1 2025. The economy continued to show positive performance, driven largely by reforms in the Oil & Gas sector.

❖ Industries Sector Overtook the Services Sector

- The Industries sector recorded its highest growth rate in decades, expanding by 7.46% YoY in Q2 2025 and contributing 17.31% to GDP. This was supported by strong performances in Crude Petroleum & Natural Gas (+20.86%), Oil Refining (+15.78%), and Coal Mining (+45.86%). The Services sector grew by 3.94% (vs. +4.33% in Q1 2025), with its contribution declining to 56.53% from 57.50% in Q1 2025. Notable growth drivers included Financial Institutions (+16.18% vs. +15.91%), Insurance (+15.70% vs. +7.08%), and Telecommunications (+7.39% vs. +7.82%), compared to Q1-2025.
- The Agriculture sector grew by 2.82% YoY, with its contribution to GDP rising to 26.17% from 23.33% in Q1 2025. Growth was largely supported by Forestry (+1.64%) and Fishing (+1.66%), recovering from declines of -16.69% and -0.21% in Q1 2025, while Crop Production and Livestock recorded slower growth.

❖ Oil and Non-Oil Dynamics

- The oil sector had its best quarter in 14 years, posting 20.46% YoY growth in Q2 2025, up from 1.87% in Q1 2024 and 10.08% in Q2 2024. This performance followed an increase in average daily crude oil production to 1.68 mbpd, compared to 1.41 mbpd in Q2 2024 and 1.62 mbpd in Q1 2025. The non-oil sector also maintained strong momentum, expanding by 3.64% YoY in Q2 2025, compared to 3.19% in Q1 2024 and 3.26% in Q2 2024.



❖ Outlook

- With sustained and impressive economic performance—driven by both the oil and non-oil sectors alongside ongoing policy reforms—Q3 2025 is expected to maintain positive momentum. However, sustaining growth in the Industries sector will require greater focus on infrastructure development, increased investment, and strict fiscal discipline.