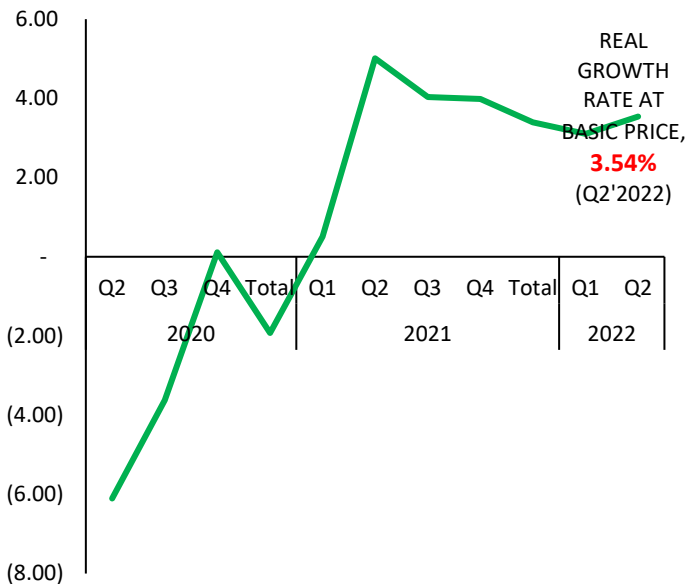


# NIGERIA Q2'2022 GDP REPORT

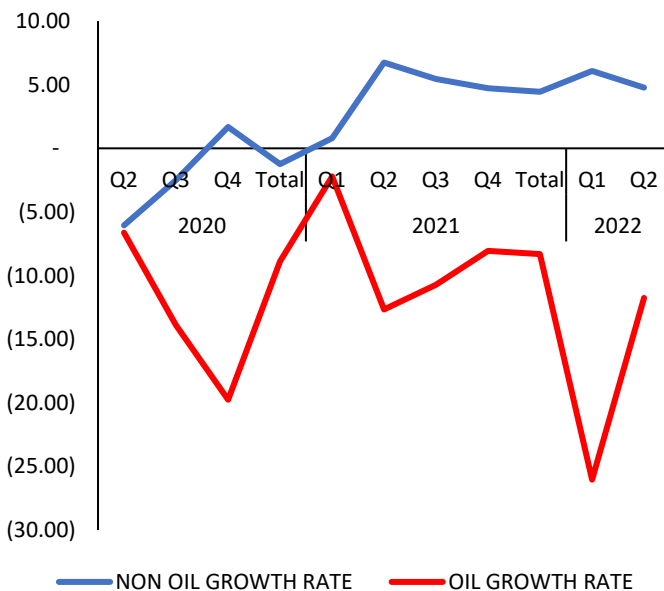
29 August 2022

REAL GDP Y/Y GROWTH RATE



Source: NBS, Atlasportfolio

Real GDP Oil and Non-Oil Growth Rate



Source: NBS, Atlasportfolio

The National Bureau of Statistics (NBS) released the Second quarter of 2022 Gross Domestic Product (GDP) report on Friday 26th August, 2022. Following the data published by NBS, the country's GDP grew by **3.54%** in Q2'2022, sustaining the economic expansion to seventh consecutive quarter after the -3.62% contraction posted in Q3'2020. However, the Q2'2022 growth rate decreased by 1.47% points from 5.01% recorded in Q2'2021, and increased by 0.44% when compared to 3.11% stated in Q1'2022.

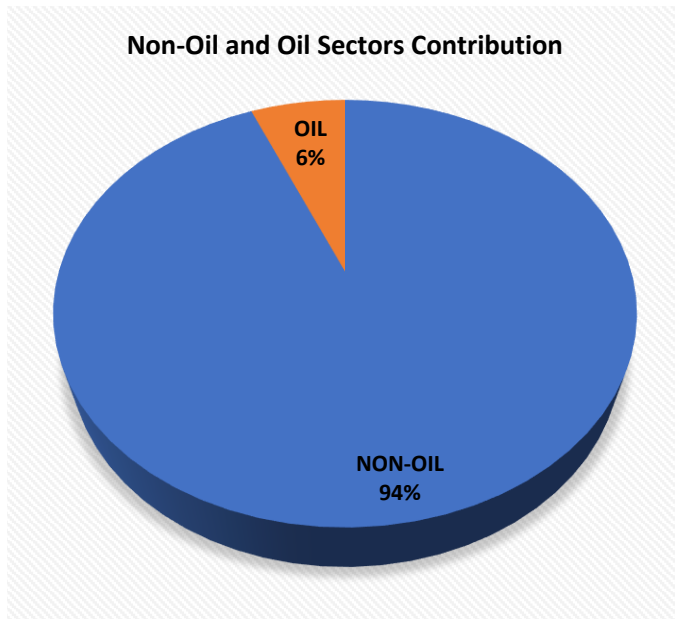
## Non-Oil Sector Contribution was up by 0.33% as Oil Sector Contribution Continues to Decline

As regards components contributing to the GDP, the Non-Oil contribution to the GDP grew by 0.33% in Q2'2022 to 93.67% compared to 93.37% in Q1'2022, and also increased by 1.19% when compared to 92.58% recorded in Q2'2021. On the other hand, the Oil contribution to the GDP declined by 4.63% to 6.33% in Q2'2022 as against 6.63% in Q1'2022, due to decline in Crude oil production in the quarter under review.

In terms of growth, the non-Oil components contracted by 131 basis point to 4.77% in Q2'2022, as against 6.08% in Q1'2022. On the contrary, the real growth in the Oil component of the GDP stood at -11.77% in Q2'2022, which represent an increase by 14.27% points relative to the rate recorded in Q1'2021. Despite the growth in the oil sector, the average daily oil production (1.43mbpd in Q2'2022) was lower than the daily average crude oil production of 1.61mbpd recorded in the same quarter of 2021, and also 0.06mbpd lower than the Q1'2022 production volume of 1.49mbpd. Nigeria as also not met its OPEC monthly crude oil production quota since the beginning of 2022.

# NIGERIA Q2'2022 GDP REPORT

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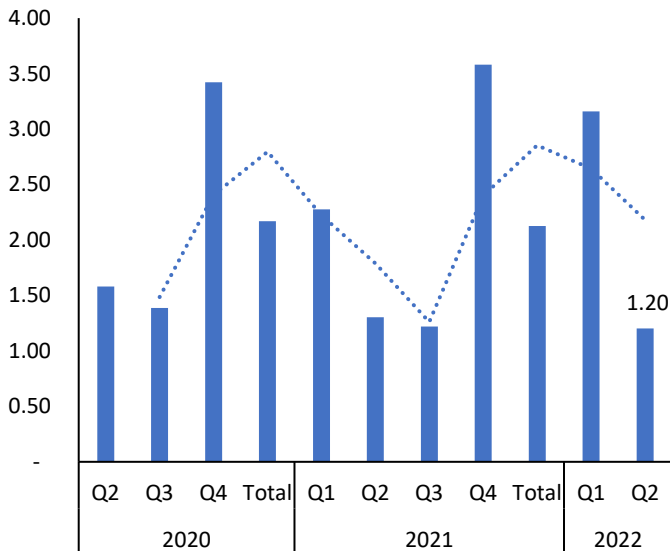


Source: NBS, Atlasportfolio

## Services records the highest contribution to the GDP as Agricultural Sector recedes

Despite the disruption in domestic food supply chains and other shocks affecting the country's food production such as the Russian-Ukraine war, Insecurities, rise in global oil prices and others, the agriculture sector which consist of the Crop Production, Livestock, Forestry and Fishing grew by 1.20% in real terms. Although it declined by 10bps when compared to the corresponding period of 2021, and also recorded a decrease of 196bps from 3.16% when compared to the preceding quarter. However, the sector contributed 23.24% to the overall GDP in real terms in Q2'2022, which is higher than its contribution in Q1'2022 (22.36%), but lower than its contribution in the second quarter of 2021 (23.78%).

### AGRICULTURAL SECTOR GROWTH RATE



Source: NBS, Atlasportfolio

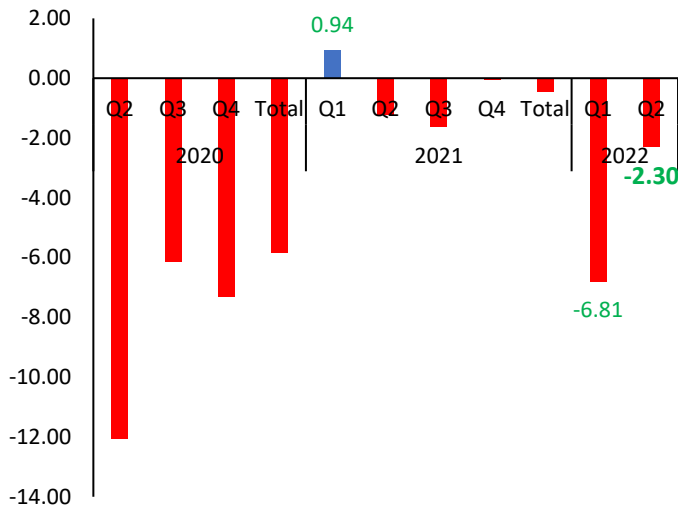
The Industrial sector expanded by 450bps to -2.30% in Q2'2022 in real terms, compared to -6.81% contraction witnessed in Q1'2022, despite the high exchange rate of Naira to the US Dollar, high inflation rate and high lending rate. However, the sector's contribution to GDP was down by 2.06% points and 1.16% points in comparism to 21.47% and 20.57% recorded in Q1'2022, and the corresponding quarter of 2021 accordingly.

Road Transport sector recorded the highest growth rate in the Nigerian economy in Q2'2022 with a growth rate of 56.38%, following a contraction of 24.63% recorded in the previous quarter. This is also the highest quarterly growth rate recorded in the sector since Q2'2021 (92.38%), a figure which was attributed to a favorable base period. Nonetheless, the road transportation sector only accounted for 1.7% of the aggregate

# NIGERIA Q2'2022 GDP REPORT

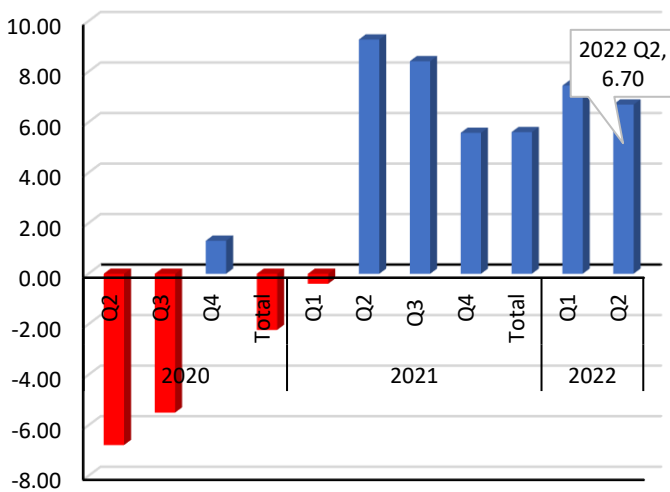
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Industrial Sector Growth Rate



Source: NBS, Atlasportfolio

Services Sector Growth Rate



Source: NBS, Atlasportfolio

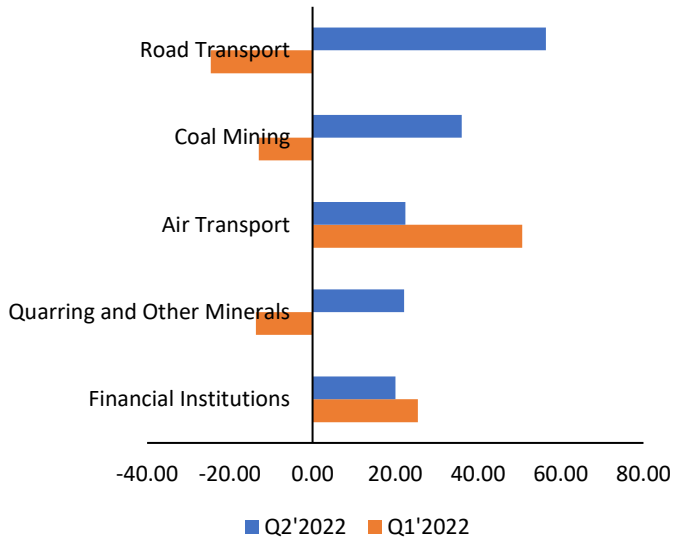
economy and represents the largest sector in the transportation and storage broad sector. Coal Mining recorded the second highest growth under the Sub-sector with a growth of 49.02% points to 36.06% in Q2'2022 from -12.97% in Q1'2021, followed by Water Supply and Waste Management, expanding by 10.51% points to 23.73% in Q2'2022 from -13.22% in Q1'2022 extending its expansionary movement since the pandemic downtrend recorded in Q1'2020.

The Services sector recorded the highest contribution to the GDP, grew by 118bps to 57.35% in Q2'2022 from 56.17 in Q1'2022. However, the sector recorded the lowest growth in real terms, declining by 0.75% points to 6.70% in Q2'2022 from 7.45% in the previous quarter of 2022. The growth recorded in the services sector was driven by growth in Telecommunication and Financial sub-sectors. The telecommunication sector in real terms grew by 7.71% in Q2'2022, but declined by 6.79% points when compared to the previous quarter of 2022, while the Financial sub-sector also expanded by 18.48% in the period under review, but 4.76% below the 23.24% it recorded in Q1'2022. The growth in the ICT sector for the quarter under review was a result of growing digital economy in the country, while the financial sector is likely to expand more in the coming quarter due to increase in the interest rates by the Central Bank of Nigeria in a bid to fight the rising cost of goods and services.

# NIGERIA Q2'2022 GDP REPORT

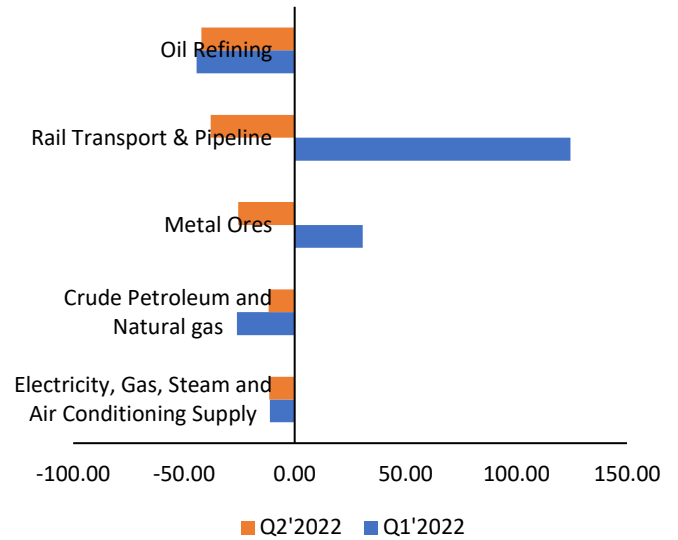
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Top 5 Advancing Sub-sectors for the Quarter



Source: NBS, Atlasportfolio

Top 5 Declining Sub-sectors for the Quarter




Source: NBS, Atlasportfolio

## Contact Information

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