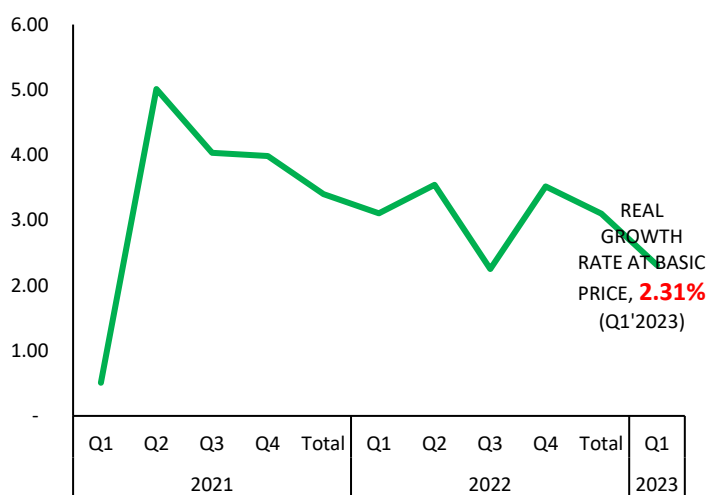


NIGERIA'S Q1'2023 GDP REPORT

REAL GDP Y/Y GROWTH RATE

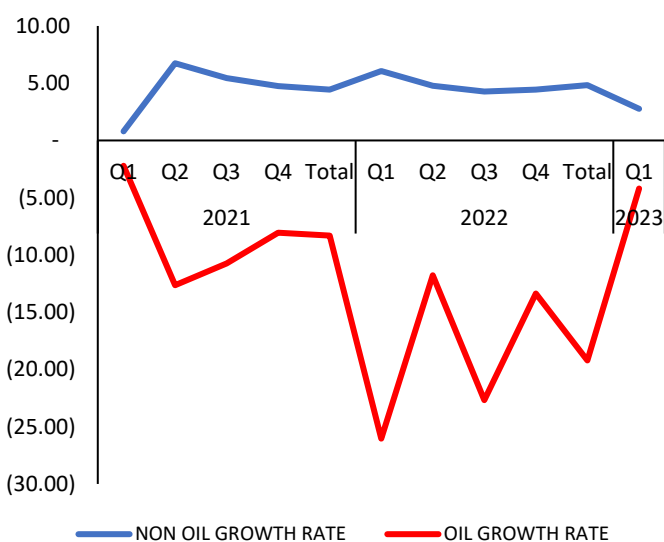


Following the data published by NBS, the country's GDP slowed down to 2.31% in Q1'2023 from 3.52% in the fourth quarter of 2022, sustaining the economic expansion to the tenth consecutive quarter after the -3.62% contraction posted in Q3'2020. The Q1'2023 growth rate decreased by -1.21% points from 3.52% recorded in Q4'2022 due to cash crunch and fuel scarcity experienced during the quarter, and also declined by 0.80% when compared to 3.11% recorded in Q1'2022.

Non-Oil Sector Contributed more to the GDP growth

As regards components contributing to the GDP, the Non-Oil contributed 93.79% to the GDP growth, which was 0.45% higher than 93.37% contribution in Q1'2022, but 1.95% lower than 95.66% contribution in Q4'2022. On the other hand, the Oil contribution to the GDP grew by 43.07% to 6.21% in Q1'2023 as against 4.34% in Q4'2022, due to increase in Crude oil production in the quarter under review.

Real GDP Oil and Non-Oil Growth Rate



In terms of growth, the non-Oil components dropped by 167 basis point to 2.77% in Q1'2023, as against 4.44% in Q4'2022. Also, the real growth in the Oil component of the GDP stood at -4.21% in Q1'2023, which represent an increase by 9.18% points relative to the rate recorded in Q4'2022. The growth recorded in the oil sector was buoyed by increase in average daily oil production. The average daily oil production (1.51mbpd in Q1'2023) was higher than the daily average crude oil production of 1.49mbpd recorded in the same quarter of 2022, but 0.17mbpd higher than the Q4'2022 production volume of 1.34mbpd.

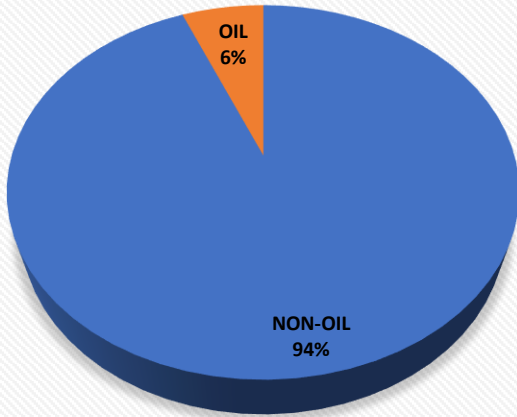
Source: NBS, Atlasportfolio

Source: NBS, Atlasportfolio

GDP REPORT Q1'2023

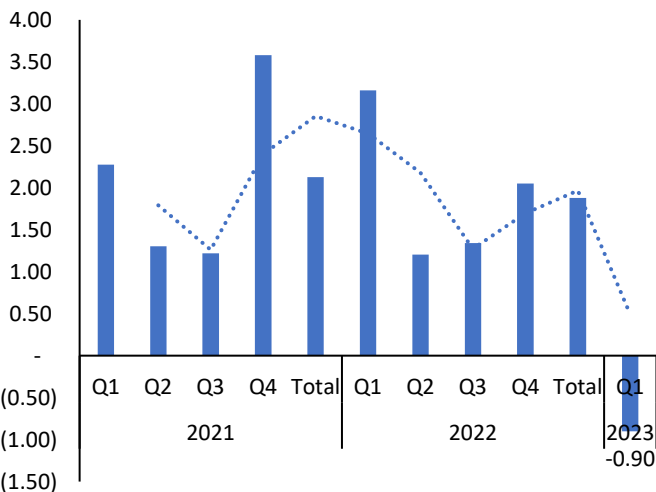
1 June 2023

Non-Oil and Oil Sectors Contribution



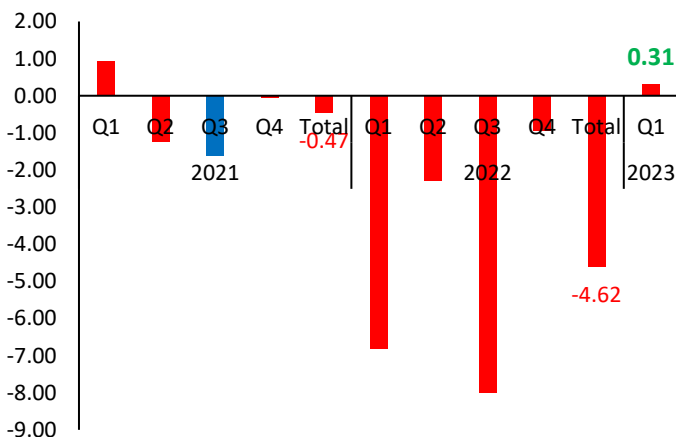
Source: NBS, Atlasportfolio

AGRICULTURAL SECTOR GROWTH RATE



Source: NBS, Atlasportfolio

Industrial Sector Growth Rate



Source: NBS, Atlasportfolio

Services Sector Contribution to the GDP Grew, while Agricultural Sector Declined

The Agricultural sector recorded a negative growth rate of -0.90% in the quarter under review despite significant government investments in agricultural interventions. This can be majorly attributed to the scarcity of foreign exchange and naira crunch in the quarter under review, alongside existing issues such as disruption in food supply caused by the Russian-Ukraine war, Flooding, Insecurities, rise in global oil prices, amidst others. It also decreased by 406bps when compared to the corresponding period of 2022. Furthermore, the sector contributed 21.66% to the overall GDP in real terms in Q1'2023, which is lower than its contribution in Q4'2022 (26.46%), and also lower than its contribution in the first quarter of 2022 (22.36%).

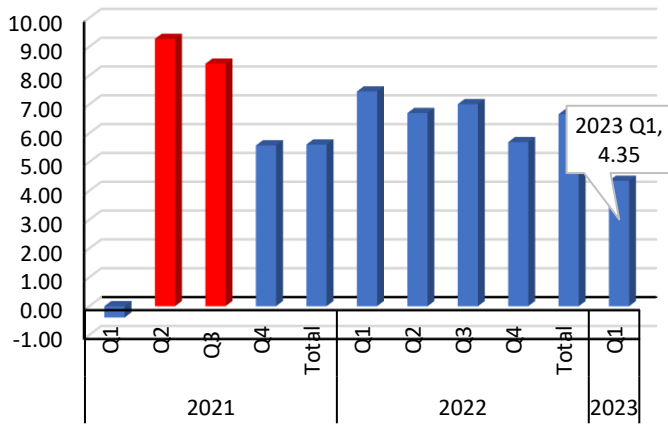
The Industrial sector grew by 125bps to +0.31% in Q1'2023 in real terms, compared to -0.94% contraction witnessed in Q4'2022, as the sector records a positive growth since Q2 2021, buoyed by high exchange rate of Naira to the US Dollar, high inflation rate and high lending rate. Also, the sector's contribution to GDP was up to 21.05% in Q1 2023 from 17.27% in Q4 2022, but down by -0.42% points when compared 21.47% contribution in Q1 2022.

Metal Ores sub-sector recorded the highest growth rate in the Nigerian economy in the first quarter of the year with a growth rate of 52.56%, from a contraction of -1.97% in Q4 2022. Financial Institution recorded the second highest growth rate under the sub-sectors, in Q1 2023, with a growth rate of 24.96%, higher than 12.41 stated in Q4 2022. Air Transport recorded the third highest growth under the Sub-sector with a growth of 19.45% from 18.01% in Q4'2022, then followed by

GDP REPORT Q1'2023

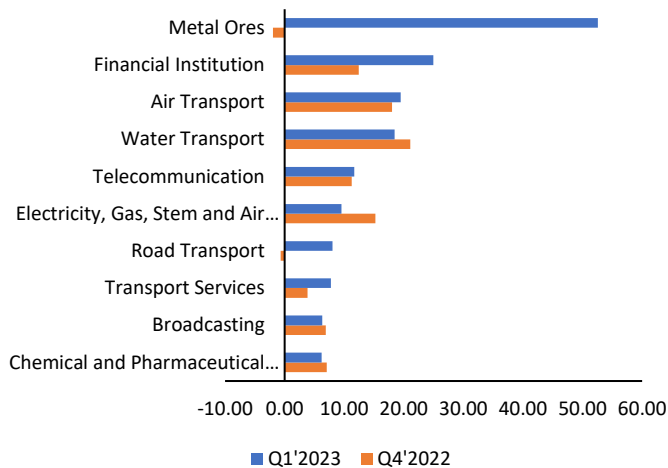
1 June 2023

Services Sector Growth Rate



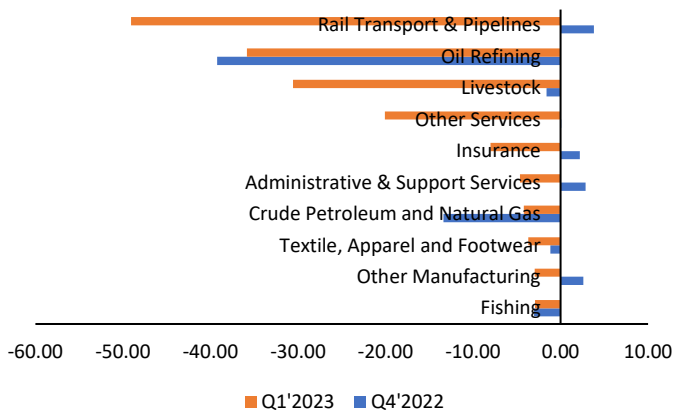
Source: NBS, Atlasportfolio

Top 10 Advancing Sub-sectors for the Quarter



Source: NBS, Atlasportfolio

Top 10 Declining Sub-sectors for the Quarter



Source: NBS, Atlasportfolio

Water Transport, expanding by 18.44% in Q1'2023 from 21.09% in Q4'2022.

The Services sector recorded the highest contribution to the GDP, grew by 102bps to 57.29% in Q1'2023 from 56.27% in Q4'2022. However, the sector recorded a decline in its growth in real terms, decreasing by 1.34% points to 4.35% in Q1'2023 from 5.69% in Q4 2022. The growth recorded in the services sector was driven by growth in financial institution and Telecommunication sub-sectors. The financial subsector in real terms grew to 24.96% in Q1'2023, increased by 12.55% points when compared to the previous quarter of 2022, while the telecommunication sub-sector also grew to 11.71% in the period under review, 0.47% above the 11.24% it recorded in Q4'2022. 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 continue expanding 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, currency redesign, and increase in online transaction.

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