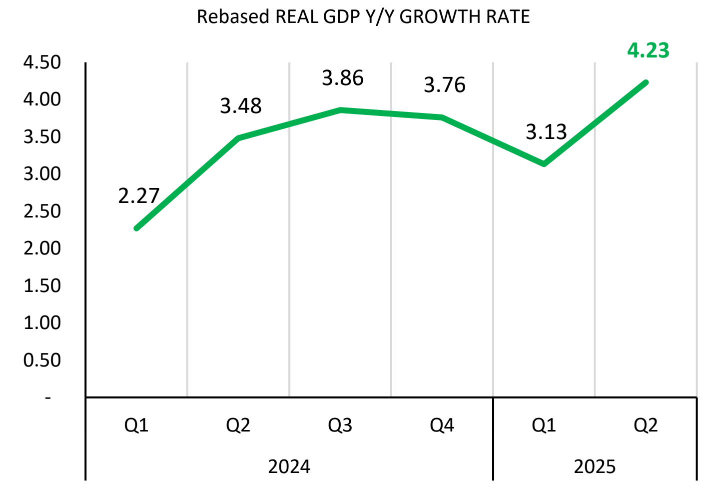
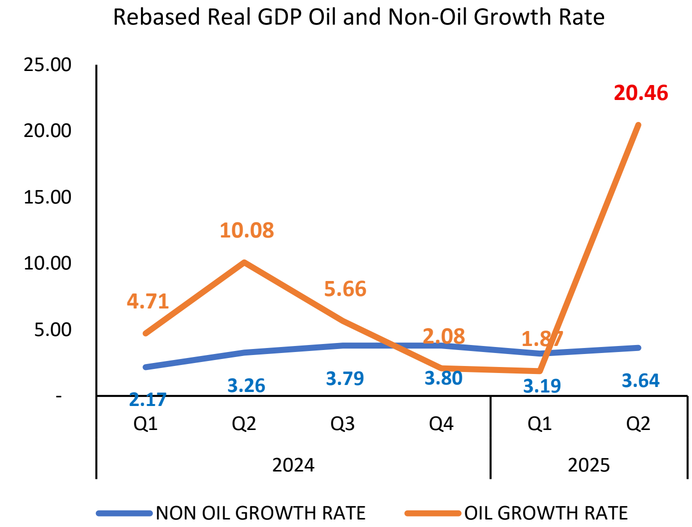
GDP REPORT (Q2’2025)



Source: NBS, Atlasportfolio



Source: NBS, Atlasportfolio

Highest GDP Growth in Four Years

Following the rebased data published by NBS, the country’s GDP stood at 4.23% in Q2'2025, representing a 110bps increase from the 3.13% recorded in Q1 2025. On a year-on-year basis, the growth rate in the second quarter of the year reflects an improvement of 75bps when compared to the 3.48% recorded in Q2’2025. The significant rise in the country’s GDP in the period under review was driven by growth in both the Oil and Non-Oil sectors.

Oil Sector Growth and Contribution Increases

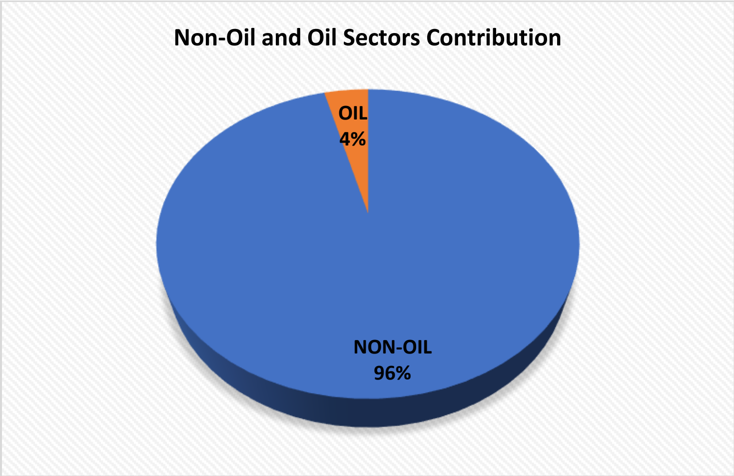
The non-oil sector contributed 95.95% to total GDP in Q2 2025, a decrease from 96.03% in Q1 2025 and also lower than 96.49% recorded in Q2 2024. Conversely, the Oil sector’s contribution rose by 217bps to 4.05% in Q2 2025, up from 3.97% in the preceding quarter. This increase was largely driven by improved crude oil production and reduction in oil theft.

In terms of growth, the non-Oil sector grew by 46bps, recording a growth rate of 3.64% in Q2 2025, compared to 3.19% in Q1 2025. Similarly, the Oil sector recorded real GDP growth of 20.46%, up by 18.59% points compared to 1.87% in Q1 2025.

The country’s crude oil production averaged 1.68mbpd in Q2, 2025, which was higher than the daily average crude oil production of 1.41mbpd recorded in the same quarter of 2024, and 0.06mbpd higher than the Q1’2025 production volume of 1.62mbpd.

GDP REPORT Q2'2025

2 October 2025



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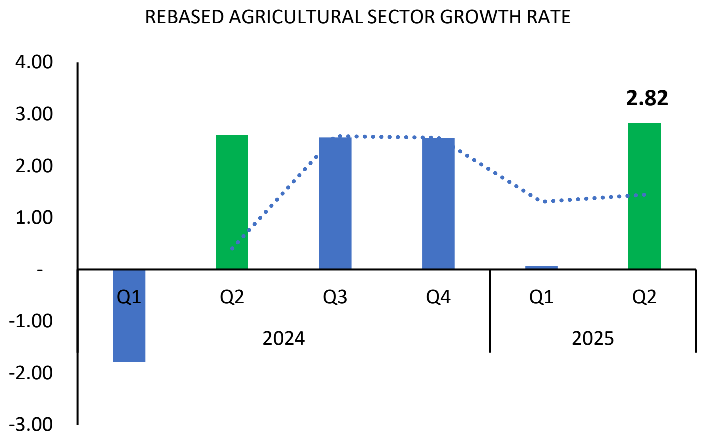

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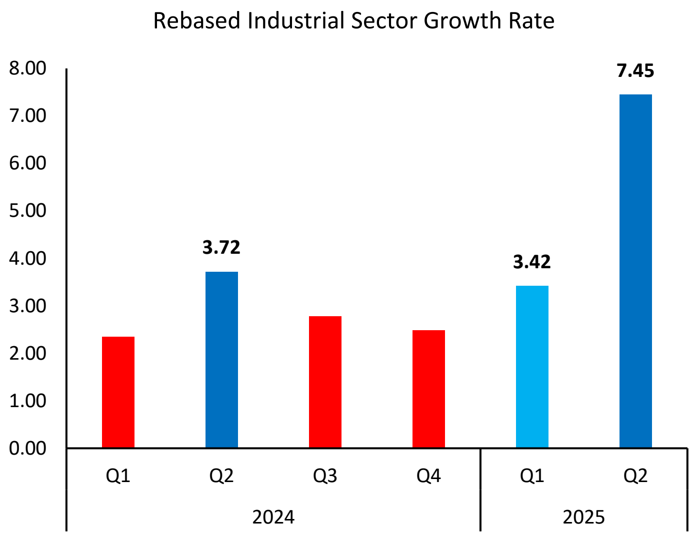

Source: NBS, Atlasportfolio

Agricultural Sector Growth Rate Expands

Agricultural sector posted a real growth rate of 2.82% in Q2 2025, an improvement of 275bps from 0.07% growth recorded in Q1 2025. Also, the sector's performance expanded by 0.22% points when compared to Q2 2024, when it grew by 2.60%. The growth in the sector was fueled by improved mechanization, Export restriction for some raw products to boost local production, improved rice processing amidst others. Also, the sector contribution to the GDP increased, standing at 26.17% in Q2 2025, which is 284bps higher than 23.33% recorded in Q1 2025.

Industrial Sector Expanded Further on Macroeconomic Reforms

The Industrial sector grew by 7.45% in Q2 2025 (from 3.42% in Q1 2025), buoyed by relative exchange rate stability, moderating inflation, and ongoing fiscal and monetary reforms. The sector's contribution to GDP dropped to 17.31%, from 19.18% in Q1 2025, but rose by 0.52% points when compared to 16.79% recorded in Q2 2024.

Coal Mining Tops Sub-Sectoral Growth Rankings

Coal Mining sub-sector led all economic segments with a growth rate of +57.53%, after a contraction of -22.28% in the first quarter of the year. The Quarry and Other Minerals sub-sector followed with a growth rate of +45.86%, rebounding strongly from a contraction of -21.55% in Q1'2025. Rail Transport & Pipelines maintained its growth in the second quarter of the year, advanced to 43.08% in Q2 2025, from 28.95% in Q1'2025. Water Transport also expanded by 27.90%, up from 3.46% in the previous quarter.

Services Sector Leads GDP Contribution Despite Slower Growth

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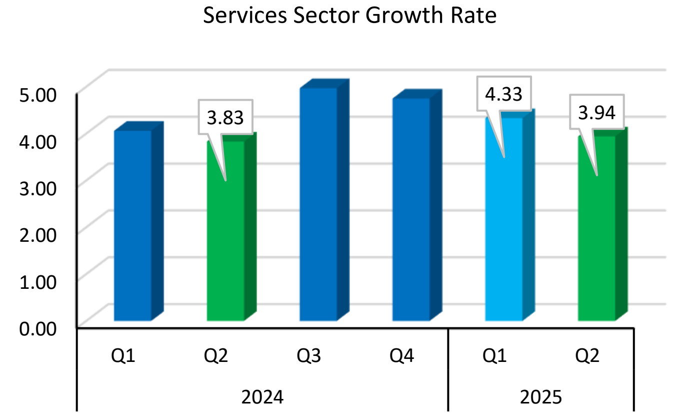
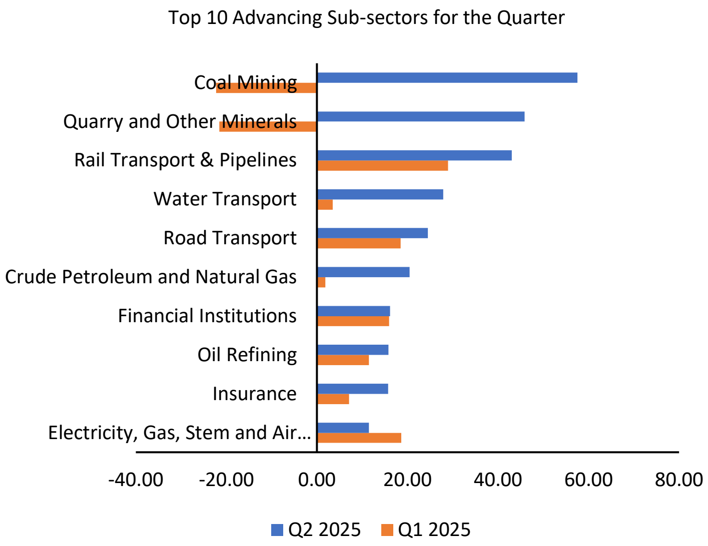


Source: NBS, Atlasportfolio

The Services sector remained the largest contributor to GDP, accounting for 56.53% of total output in Q2 2025. However, its real growth rate slowed to 3.94% in Q2 2025, down by 39bps from 4.33% in Q1 2025. This growth was primarily driven by improved performance in the Financial Institutions and Insurance sub-sectors. The Financial Institutions sub-sector recorded real growth of 16.18%, representing a 27bps increase from 15.91% recorded in Q1 2025. Similarly, the Insurance sub-sector grew by 15.70%, up from 7.08% in Q1 2025.

Key policy measures such as recapitalization initiatives, exchange rate unification, FX market liberalization, and tax reforms continue to support the performance of financial and industrial institutions in the economy.



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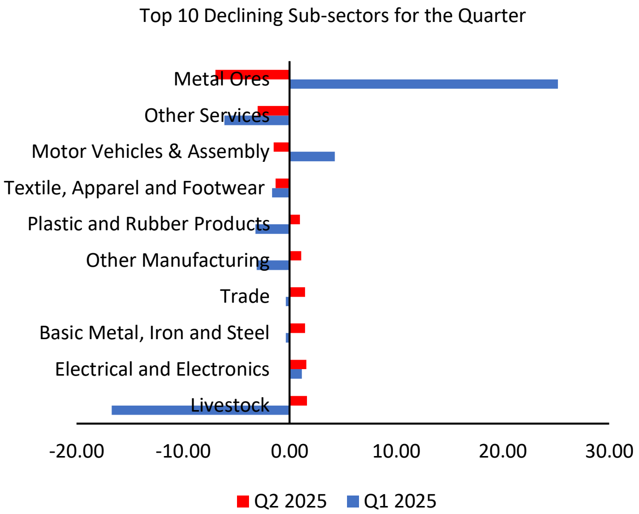

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