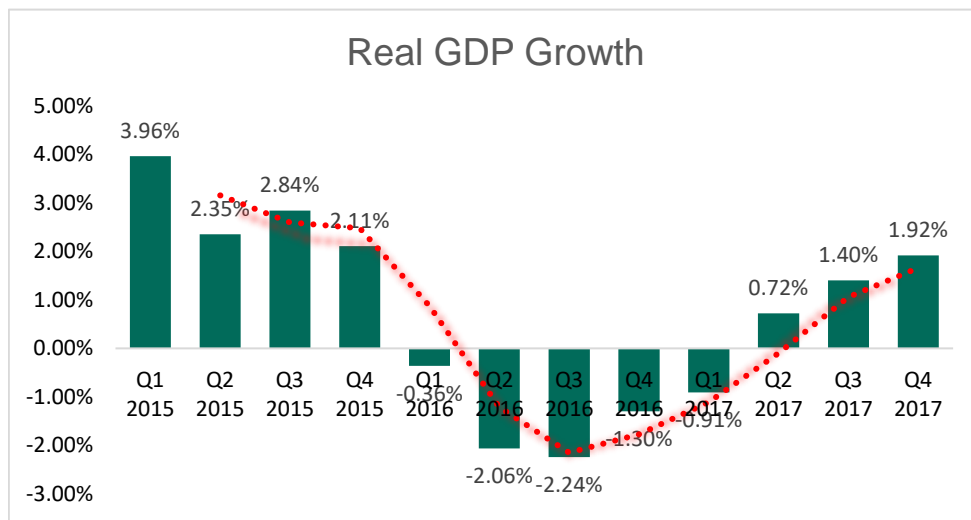


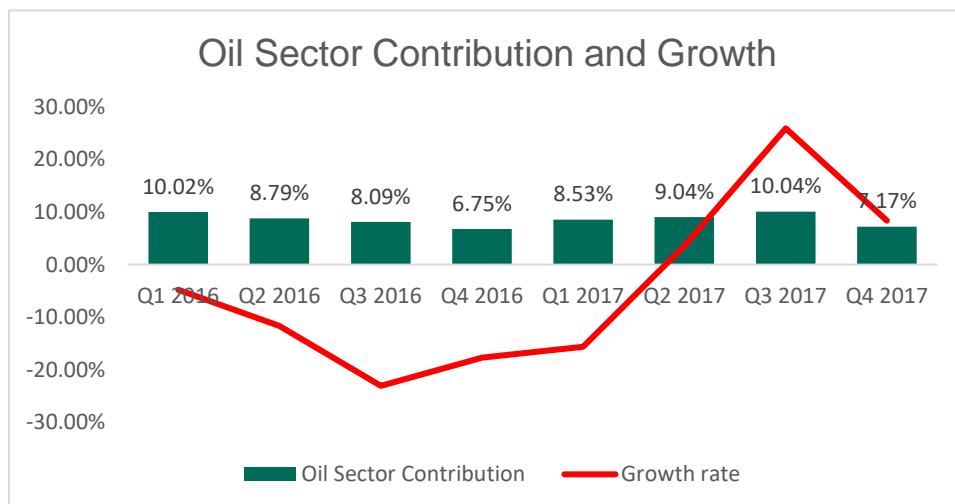
**Nigeria Economic Growth: GDP grew by 1.92% in Q4 2017 and 0.83% for full year 2017**

The National Bureau of Statistics (NBS) yesterday, 27 February 2018, released the Gross Domestic product (GDP) report for Q4 2017 and full year 2017 with the real GDP growth rate expanding to 1.92% in Q4 2017. This represents the 3<sup>rd</sup> consecutive increase in the GDP growth rate since the emergence of the economy from recession in Q2 2017. The major drivers of this positive growth include Agriculture, Manufacturing, Mining and Quarrying, as well as Transportation and storage, while sectors such as ICT, Real Estate, Public Administration and Education witnessed a decline in growth.



**Oil Sector: Declined contribution to GDP**

The contribution of the Oil sector declined to 7.17% in Q4 2017 from the preceding rate of 10.04% in Q3 2017. Based on analysis, the decline in oil sector contribution is due to the fall in the average oil production to 1.91 million barrels per day (mbpd) from its previous average of 2.03 million barrels per day (mbpd) in Q3 2017(as reported by NBS).



## **Non-oil Sector: Industrial sector grew for the 1<sup>st</sup> time in 8 quarters**

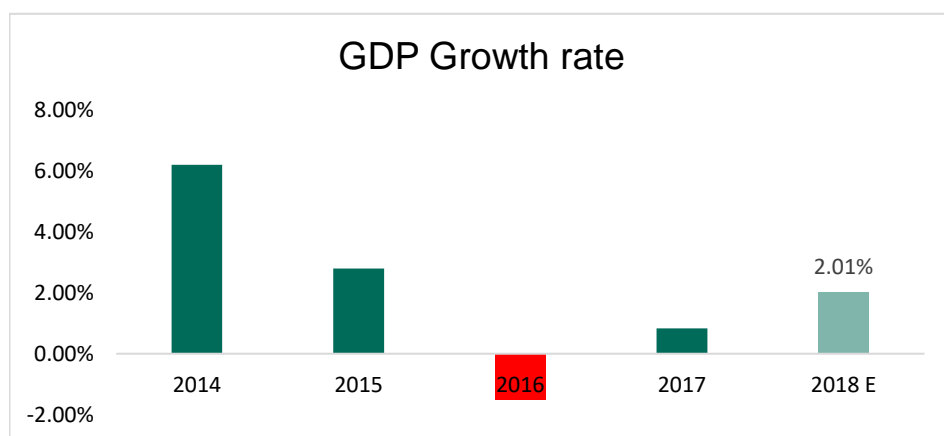
Non-oil sector contribution to the total GDP rose to 92.83% in Q4 2017 from 89.96% in Q3 2017 and grew by 1.45% in Q4 2017 from the previous negative growth of -0.75% in Q3 2017. This growth was fuelled by growth in Agriculture (+4.23%), Trade (+2.07%) and Transportation and storage (+16.57%). It must be asserted that the industrial sector grew for the first time in 8 quarters due to the rebound in the manufacturing sector by 0.14%. The recovery in the manufacturing sector was witnessed across the sub sectors except for Oil refining and Cement sub-sector which fell by -46.24% and -1.92% in Q4 2017.

## **Our 2018 Outlook: Increasing Growth in GDP**

Our outlook for the economy remains positive on the following backdrops:

- Further decline in the inflation rate which would impact the real GDP.
- Stability in the Forex market through continuous intervention of the Central Bank of Nigeria in the market.
- Increased stability in the global market and confidence in the Nigerian economy.
- Increased in oil production most especially as Total and other stakeholders finalise on the Egina project before Q4 2018.

Based on these, we expect the GDP to grow at 2.01% for 2018.



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