



**NIGERIA
ECONOMIC
UPDATE**

Weekly

Digest

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Active Internet Subscription hits over 154 million in Q4 2022

The latest national telecommunications statistics show that active internet subscribers grew 9.07 percent from 141,971,560 in the fourth quarter (Q4) of 2021 to 154,847,901 in Q4 2022. Meanwhile, on a quarter-on-quarter basis, this grew by 1.35 percent from 152,784,980 in Q3 2022, according to the National Bureau of Statistics (NBS). Based on the data, MTN had the highest share of subscriptions in the country (42.37 percent), followed by Glo (27.8 percent), and Airtel (26.59 percent). But on a state profile analysis, Lagos state had the highest number of active internet subscribers over the period reviewed, with 18,702,394, followed by Ogun with 9,206,614 and Kano with 8,470,131. On the other hand, Bayelsa recorded the least with 1,101,002, followed by Ebonyi and Ekiti with 1,264,825 and 1,474,970, respectively. The growth in total mobile internet subscriptions across the country indicates continued recovery from the downturn recorded in late 2020 and early 2021 due to the Nigerian Communication Commission (NCC) ban on SIM registration. It can also be attributed to the growing demand for smartphones and the need for internet access, following trends of increased patronage for digital services offered over internet-enabled platforms, as all states of the federation recorded growth over this period, although some have lower subscriptions than others. As the internet demand continues to rise, the supply of network (including bandwidth length) must record a corresponding growth, especially in areas with poor coverage, as this can boost commercial/economic activities, income generation, and even enhance access to educational opportunities and materials to improve learning in the country. Furthermore, the federal government, through the NCC, must continue to exercise its due diligence by raising awareness and improving access to Internet facilities for the less privileged.

52.39 percent of Loans under ABP repaid

The Central Bank of Nigeria (CBN) monthly update for March 2023 has reported that at least 52.39 per cent of the Anchor Borrowers' Programme (ABP) [loans](#) have been repaid. The ABP is one of the many interventions of the Central Bank of Nigeria designed as part of the government's drive to catalyse the economy's productive base and boost economic growth. It is particularly implemented to create economic linkages between smallholder farmers and processors to increase agricultural output and ensure food price stability and security. As of the end of February 2023, at least 4.57 million smallholder farmers have been supported under the programme, with a total of N1.079 trillion released to them, out of which N0.96 trillion was due for repayment. These farmers have, reportedly, cultivated over 6.02 million hectares covering 21 commodities, including rice, tomatoes, groundnut, maize, fish, soybean, sesame, ginger, oil palm, and onions, across the country. Despite the reported achievements, concerns are still being raised about the effectiveness of the programme and other sister interventions in the agricultural sector to effectively address the food security problem, as food prices have continued to rise over the years. Food inflation has risen from 9.38 percent in March 2015 to [24.45 percent](#) in March 2023, including a steady increase in the prices of foods like rice, maize, yam, tomatoes, and beef. This means financing may be insufficient for the country's food price stability and security challenges. Therefore, other legacy issues like insecurity, poor transport system, climate-related disasters, and high energy cost, among others, should be tackled to achieve expected targets regarding the processing and production of food items.

Prices of Energy Products Increase Y-o-Y in March 2023

The prices of key energy products – petrol, kerosene, cooking gas, and diesel – have increased significantly in March 2023 compared to their respective levels in March 2022. According to NBS, the average price of petrol increased by 42.63 percent from N185.3 per litre in March 2022 to N264.29 in [March 2023](#). Similarly, the average retail price of refilling a 5kg cylinder of cooking gas rose by 22.03 percent from N3,778.3 to [N4,600.57](#), while the average retail price of diesel increased from N539.32 to [N836.81](#) (55.9 percent) over the same period. Meanwhile, despite falling by 2.68 percent between February to March 2023, the price of each litre of household [kerosene](#) increased by over 102 percent from N564.55 in March 2022 to N1,142.46 in March 2023. Such significant increases are largely a lingering consequence of the global oil market shock caused by the 2022 Russia-Ukraine war of which Nigeria was highly vulnerable due to high dependence on imports for refined petroleum products. The recent rise in crude oil prices and the scarcity of these products recorded multiple times within the 12-month period have triggered marketers and distributors to increase their prices. Unfortunately, this has dire implications for the economy, as high energy prices lead to higher costs of transportation and the overall cost of production. In turn, this leads to an increase in prices overall and inflation, which lowers people's purchasing power and, as a result, their standard of living. Therefore, efforts (involving public-private partnerships) should focus primarily on improving the nation's refining capacity. This can lessen reliance on the import of refined petroleum, reduce vulnerability to shocks from the external market, and aid in addressing issues related to scarcity.

ECONOMIC SNAPSHOT		
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Quarterly Indicators	'22Q3	'22Q4
GDP Growth Rate (%)	2.25	3.52
Oil GDP Growth Rate (%)	-22.67	-13.38
Non-oil GDP Growth Rate (%)	4.27	4.44
Unemployment Rate (%)	NA	NA
Foreign Direct Investment (US \$ Million)	81.72	84.23
Portfolio Investment (US \$Millions)	442.08	285.26
Other Investment (US \$Million)	635.87	691.23
External Debt (FGN & States- N^oTrillion)	17.15	18.70
Domestic Debt (FGN + States & FCT N^oTrillion)	26.92	27.55
Manufacturing Capacity utilization (%)	NA	NA
Monthly Indicators	Jan '22	Jan '23
Headline Inflation (%)	15.60	21.82
Food Sub-Index (%)	17.13	24.32
Core Sub-Index (%)	13.87	19.16
External Reserves (End Period) (US\$ Billion)	40.04	36.99
Official Rate Approx. (N/US\$)	414.11	461.00
BDC Rate Approx. (N/US\$)	NA	NA
Manufacturing PMI	51.4	NA
Non-Manufacturing PMI	49.01	NA
Average Crude Oil Price (US\$/Barrel)	88.71	84.78
Petrol (PMS-N/litre)	166.40	257.12
Diesel (AGO -N/Litre)	288.09	828.82
Kerosene (HHK -N/Litre)	437.11	1,153.40
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	3,657.57	4,588.75
MPR (%)	11.50	17.50
CRR (%)	27.5	NA
T-Bill Rate (%)	2.49	1.39
Savings Deposit Rate (%)	1.25	4.29
Prime Lending (%)	11.68	27.63
Maximum Lending (%)	27.65	NA
Narrow Money (N^oTrillion)	18.59	20.96
Broad Money (N^oTrillion)	45.09	52.97
Net Domestic Credit (N^oTrillion)	50.09	68.90
Credit to the Government (Net) (N^oTrillion)	14.90	24.65
Credit to the Private Sector (N^oTrillion)	35.18	42.25
Currency in Circulation (N^oTrillion)	3.288	1.386
FAAC (N^oBillion)	766.47	NA

NA: Not Available

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