



**NIGERIA  
ECONOMIC  
UPDATE**

**Weekly**

**Digest**

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## **64 percent of Households were affected by Floods in 2022**

The Nigerian Flood Impact, Recovery, and Mitigating Assessment [Report](#) 2022-2023 by the National Bureau of Statistics (NBS) revealed extensive losses to lives and livelihoods and the disruptions of essential services and economic activities due to flood. The impacts of the flood were significantly higher in rural areas (74 percent) compared to about 40 percent in urban areas. About 99% of households in Bayelsa were affected by the floods, followed by 94% in Jigawa, 70% in Nasarawa and Kogi, 57% in Delta, and 23% in Anambra. Overall, 64 percent of households in Nigeria were affected by the flood in 2022, with impacts ranging from livelihood, housing, food supply, and access to essential services, such as health facilities and education. The effect on agricultural activities was significant, resulting in massive reduction in food production and elevating food insecurity. The evaluation also reveals that affected households and communities recovered slowly from the 2022 flood; for this reason, a recovery and future flood risk mitigation plan is required. Concurrently, it is necessary to create a long-term plan for mitigating flood risk that includes planting trees to prevent soil erosion, building sustainable drainage systems, and implementing land-use planning that takes flood-prone areas into account.

## **Food Prices Rise in October 2023**

According to the [Selected Food Price Watch](#) of the National Bureau of Statistics (NBS) for October 2023 food prices increased significantly. The average cost of 1 kg of locally sold loose rice increased to N819.42 in October 2023 from 757.06 in September, suggesting an increase of 8.24%. The average price of 1kg of Beans brown (sold loose) rose to N790.01 in October 2023 from N716.97 in September 2023, indicating an increase of 10.19%. Likewise, the average price of 1kg beef boneless stood at N2,948.03 in October 2023. This indicated that on a month-on-month basis, the price rose by 4.65% from N2,816.91 in September 2023. These items are regular staple foods, and the increment in the prices is likely to result in a reduction in the intake of nutritional food among vulnerable and poor households. In other words, the rising food cost puts a strain on household budgets, elevates food insecurity and lowers standard of living. Thus, immediate action is required to reverse the trend. Effective solutions that support Nigeria's food security and stability must be developed and implemented. The government should ensure that peace is brought back to the nation's crisis-ridden areas, invest in sustainable agricultural methods, and upgrade infrastructure to increase food production and tame the pace of food price increases.

## **2792.51 barrels of oil spilled between September and November 2023**

[Data](#) from the National Oil Spill Detection and Response Agency (NOSDRA) reveals that 156 oil spill incidents were reported between September and November 2023, costing the waste of about 2792.51 barrels of crude oil. According to the November report, the spill happened at various oil companies' facilities, with Total Exploration and Production having reported the most significant spillage at 803.06 barrels of crude oil spilled representing about 72.5% of overall oil spillage, followed by Heritage Energy Operational Service Limited, NNPC Exploration and Production Ltd, Nigerian Agip Oil Company, Midwestern Oil and Gas spilled and Shell Petroleum Development Company (SPDC) with about 233 barrels, 30.5 barrels, 26.43 barrels, 7.26 barrels, and 7 barrels of crude oil respectively. Oil spillage has several devastating impacts on the environment, ecosystems, and the livelihoods of local communities. The spills lead to soil and water contamination, negatively affecting agricultural productivity and biodiversity and posing severe health risks to nearby residents. Also, oil spills could reduce public revenue through reduced income tax paid by oil-extracting companies and higher clean-up costs by the government. Therefore, stricter rules and regulations on oil extraction and transportation should be enforced to ensure good oil extraction practices. The use of advanced technology should also be encouraged in the upstream sector to prevent spills; additionally, the government should invest in the clean-up of existing spills through eco-friendly methods. Establishing community-based monitoring systems can also aid in prompt response to oil spill reports to reduce the effects of spillage, fostering a sustainable balance between economic growth and environmental preservation in Nigeria.

ECONOMIC SNAPSHOT		
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Quarterly Indicators	'23Q1	'23Q2
GDP Growth Rate (%)	2.31	2.51
Oil GDP Growth Rate (%)	-4.21	-13.43
Non-oil GDP Growth Rate (%)	2.77	3.58
Unemployment Rate (%)	4.1	NA
Foreign Direct Investment (US \$ Million)	47.60	86.03
Portfolio Investment (US \$Millions)	649.28	106.85
Other Investment (US \$Million)	435.76	837.34
External Debt (FGN & States- N'Trillion)	19.64	33.25
Domestic Debt (FGN + States & FCT N'Trillion)	30.21	54.13
Manufacturing Capacity utilization (%)	NA	NA
Monthly Indicators	October '22	October '23
Headline Inflation (%)	21.09	27.33
Food Sub-Index (%)	23.72	31.52
Core Sub-Index (%)	17.46	22.58
External Reserves (End Period) (US\$ Billion)	37.39	33.39
Official Rate Approx. (N/US\$)	438.52	824.99
BDC Rate Approx. (N/US\$)	NA	NA
Manufacturing PMI	NA	NA
Non-Manufacturing PMI	NA	NA
Average Crude Oil Price (US\$/Barrel)	96.57	94.90
Petrol (PMS-N/litre)	195.29	630.63
Diesel (AGO -N/Litre)	801.09	1004.98
Kerosene (HHK -N/Litre)	809.52	1,272.40
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	4,483.75	4,562.51
MPR (%)	15.5	18.75
CRR (%)	32.5	32.5
T-Bill Rate (%)	5.68	5.29
Savings Deposit Rate (%)	4.08	5.26
Prime Lending (%)	12.23	14.32
Maximum Lending (%)	28.06	27.24
Narrow Money (N'Trillion)	21.19	25.36
Broad Money (N'Trillion)	65.44	67.18
Net Domestic Credit (N'Trillion)	63.34	92.72
Credit to the Government (Net) (N'Trillion)	22.83	34.12
Credit to the Private Sector (N'Trillion)	40.52	58.6
Currency in Circulation (N'Trillion)	3.228	2.761
FAAC (N'Trillion)	1.26	0.966

NA: Not Available

The September figures for CRR, Narrow money, broad money, T-Bill rate (%), Savings Deposit Rate (%), Prime Lending (%), maximum lending(%), Net domestic credit, credit to the government, and credit to other sectors (exception of FAAC that retained its August figure) are retained due to unavailability of data.

## REFERENCES

1. Nigerian Oil Spill Monitor (2023). Retrieved from <https://oilspillmonitor.ng/>
2. NBS (2023). Selected Food Prices Watch (October 2023). Retrieved from <https://nigerianstat.gov.ng/elibrary/read/1241416>
3. NBS (2023). Nigeria Flood Impact, Recovery and Mitigation Assessment Report 2022-2023. Retrieved from <https://nigerianstat.gov.ng/elibrary/read/1241417>