CSEA
Centre for the Study of the Economies of Africa

Weekly Snapshot

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Nigeria's Oil Production Declines by 4.37% in March 2025

The Organization of Petroleum Exporting Countries (OPEC) April Monthly Oil Market Report reveals that Nigeria's average daily crude oil production (based on direct communication) declined by 4.37% (64,000 bpd), from 1.465 million bpd recorded in the preceding month to 1.401 million bpd in March. The report also shows that oil production fell by 6.6% below OPEC's 1.5 million bpd quota and a staggering 32% short of the country's 2025 target of 2.06 million bpd. Persistent shortfalls in meeting government production targets stem from systemic challenges such as chronic underinvestment and rampant oil theft, all contributing to suppressed output. The decline in oil production and the falling oil prices in the international market are likely to strain fiscal revenues, exacerbating budgetary pressures. This will detrimentally impact national reserves, thereby reducing the availability of resources for developmental spending. While the government has no control over global oil prices, it can, to some extent, meet its OPEC production quota. Therefore, the government must intensify efforts by enforcing stricter penalties for oil theft, while fostering greater collaboration with local communities. Simultaneously, there is a need to attract investment in the sector by ensuring that regulatory bodies and the judiciary work together to provide an enabling environment for investment and modernisation of oil infrastructure

Consumers Express Less Pessimism on the Macroeconomy in March 2025

The Central Bank of Nigeria (CBN) March 2025 Household Expectations Survey Report indicates that the overall consumer confidence index was at -8.1 points, indicating that consumers' outlook was pessimistic for March. Compared to February 2025 (-19.0), there was a decrease in pessimism in March 2025. Consumers' outlook is based on three factors – economic condition, family financial situation, and family income. Excluding family income, all indicators were in the pessimistic range in March. The report also shows that consumers' outlook on the macroeconomy is optimistic for April 2025 (1.2 index points), June 2025 (9.3 index points), and September 2025 (18.3 index points). The survey respondents also feel that prices are slowly moderating, compared to the previous month. To sustain this positive outlook in the coming months, which ensures confidence in the economy, targeted approaches to reduce macroeconomic volatility, such as sound forex management, are needed. Additionally, critical investment in the transport and power sectors is vital to reduce the cost of production for businesses, thereby translating to lower prices of goods.

Key Highlights of Credit Conditions Survey (Q1 2025)

The Central Bank of Nigeria's Credit Conditions Survey Report (Q1 2025) revealed that credit availability increased for unsecured (19.4 points) and corporate lending (18.7 points) in the quarter under review. Lenders, however, reported a decline in secured lending (-10.1 points) to households. Demand for credit increased for secured (9.3 points) and corporate lending (18.7 points), while it declined for unsecured lending (-1.8 points). The increase in credit availability for unsecured lending was due to market share objectives. Changing economic outlook was the primary driver of corporate and secured credit availability. Lenders also reported reduced default rates for secured (3.9 points) and unsecured lending (5.0 points). For Corporate lending, small (0.5 points) and medium (0.3 points) businesses reported lower default rates, while Large Private Non-Financial Corporations (-0.6 points) and other financial corporations (-0.6 points) observed higher default rates. All lending categories had widened lending rates relative to the Monetary Policy Rate (MPR) except for corporate lending to other financial corporations. A critical finding emerging from the report is the rise in household demand for credit, accompanied by a fall in credit availability, which might weaken households' financial resilience. To address this gap, policymakers should prioritise low-cost lending facilities and efficient loan distribution channels to support household liquidity.

Compiled by the Information and Data Management (IDM) Unit, CSEA
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ECONOMIC SNAPSHOT		
Quarterly Indicators	**'24Q3**	**'24Q4**
GDP Growth Rate (%)	3.46	3.84
Oil GDP Growth Rate (%)	5.17	1.48
Non-oil GDP Growth Rate (%)	3.37	3.96
Unemployment Rate (%)	NA	NA
Foreign Direct Investment (US $ Million)	NA	NA
Portfolio Investment (US $Millions)	NA	NA
Other Investment (US $Million)	NA	NA
External Debt (FGN & States- N'Trillion)	NA	NA
Domestic Debt (FGN + States & FCT N'Trillion)	NA	NA
Manufacturing Capacity Utilization (%)	NA	NA
Imports (N'Billion)	NA	NA
Exports (N'Billion)	15,281.18	16,590.51
Total trade (N'Billion)	20,537.17	20,014.33
Total trade (N'Billion)	35,818.35	36,604.83
Trade balance (N'Billion)	5,255.99	3,423.82
Crude oil Export (N'Billion)	10,310.70	13,783.00
Non-Crude Oil Export (N'Billion)	10,226.47	6,231.33
Monthly Indicators	**December 24'**	**January 25'**
Headline Inflation (%)	34.80	24.48
Food Sub-Index (%)	39.84	26.08
Core Sub-Index (%)	29.28	22.59
External Reserves (End Period) (US$ Billion)	40.88	39.72
Official Rate Approx. (N/US$)	1,553.73	1,535.95
BDC Rate Approx. (N/US$)	NA	NA
Manufacturing PMI	50.0	51.3
Non-Manufacturing PMI	52.1	48.6
Average Crude Oil Price (US$/Barrel)	74.72	80.76
Petrol (PMS-N/litre)	1,189.12	NA
Diesel (AGO -N/Litre)	1,447.62	NA
Kerosene (HHK -N/Litre)	2,056.38	NA
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	7,177.27	NA
MPR (%)	27.50	27.50
CRR (%)	50.00	50.00
T-Bill Rate (%)	18.00	18.00
Savings Deposit Rate (%)	7.51	7.50
Prime Lending (%)	18.56	18.49
Maximum Lending (%)	29.71	29.79
Narrow Money (N'Trillion)	NA	36.89
Broad Money (N'Trillion)	NA	110.97
Net Domestic Credit (N'Trillion)	NA	99.41
Credit to the Government (Net) (N'Trillion)	NA	24.52
Credit to the Private Sector (N'Trillion)	NA	74.89
Currency in Circulation (N'Trillion)	NA	5.24
FAAC (N'Trillion)	NA	NA
Overall Consumer Confidence Index	-31.1	-23.5

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NA: Not Available

1. Nigeria's Oil Production Declines by 4.37% in March 2025 report from:
https://momr.opec.org/pdf-download/

2. Consumers Express Less Pessimism on the Macroeconomy in March 2025 report from:
https://www.cbn.gov.ng/Out/2025/STD/Mar 2025 Household Expectations Surveys srt.pdf

3. Key Highlights of Credit Conditions Survey (Q1 2025) Retrieve From;
https://www.cbn.gov.ng/Out/2025/STD/Credit Condition Survey Report March.pdf