



**NIGERIA
ECONOMIC
UPDATE**

**Weekly
Digest**

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Nigeria's total merchandise trade increases to ₦35 trillion in Q3 2024

According to the National Bureau of Statistics [report](#), Nigeria's total trade volume stood at ₦35.2 trillion in the third quarter of 2024, marking a 13.26% increase from ₦31.9 trillion in Q2 2024 and an 81.35% rise compared to the same period in 2023. Exports constituted 58.3% of total trade, valued at ₦20.5 trillion, reflecting a 16.76% growth from ₦19.4 trillion in the previous quarter. Crude oil dominated exports, accounting for 65.4% (₦13.4 trillion), while non-crude oil exports comprised 34.6%, valued at ₦7.1 trillion. Manufacturing exports more than doubled (116.5%), reaching ₦1.04 trillion from ₦480.8 billion in Q2. However, agricultural exports declined by 9%, from ₦973.7 billion in Q2 to ₦884.1 billion in Q3 2024, thereby reducing the pace of growth in non-oil exports. Imports accounted for 41.73% of total trade, valued at ₦14.7 trillion, representing an 8.71% increase from ₦13.5 trillion in Q2 2024. Imported manufactured goods accounted for about 48% of total imports, valued at ₦6.98 trillion. Other petroleum products stood at ₦5.1 trillion (35%) and raw materials at ₦1.6 billion (10.8%). This growth in trade volume signals increased economic activity, with a rise in manufacturing exports suggesting progress toward export-led growth. The decline in agricultural exports highlights challenges in domestic production including insecurity, low yields and flooding. The government should enhance agricultural productivity through modern technologies, subsidies, and improved infrastructure to reverse the declining trend in agricultural exports. Efforts should also focus on boosting trade competitiveness by ensuring exchange rate stability, enforcing quality standards, and streamlining export processes.

FAAC disburses ₦1.7 trillion to FG, States, and LGs

In November 2024, the Federation Account Allocation Committee (FAAC) [distributed](#) ₦1.7 trillion to Nigeria's three tiers of government, a gross total of ₦3.14 trillion. The allocation included ₦581.9 billion for the Federal Government, ₦549.8 billion for State Governments, and ₦402.6 billion for Local Governments. Oil-producing states received ₦193.3 billion in derivation revenue. Additionally, ₦103.3 billion was allocated for collection costs, and ₦1.3 trillion was earmarked for transfers, interventions, and refunds. The gross revenue for the month included ₦455.4 billion from statutory revenue, which marked an increase of ₦249.04 billion compared to the ₦206.3 billion collected in October 2024. ₦585.7 billion was generated from Value Added Tax (VAT), a decline from the ₦622.3 billion collected in the previous month. From the VAT revenue, the Federal Government received ₦87.85 billion, State Governments ₦292.85 billion, and Local Governments ₦204.99 billion. The electronic money transfer levy contributed ₦15.04 billion, with the Federal Government receiving ₦2.25 billion, State Governments ₦160.30 billion, and Local Governments ₦123.59 billion. The rise in revenue was attributed to increases in oil and gas royalties and Common External Tariffs (CET). However, excise duties, import duties, and petroleum profit taxes recorded significant decreases. FAAC allocations in 2024 exhibited notable variations due to fluctuating oil and non-oil revenue sources, with distributions peaking in November. To ensure long-term fiscal stability, the government should diversify its revenue sources by investing in non-oil sectors such as agriculture, manufacturing, and technology. Additionally, it should address the decline in VAT collections through improved compliance, digital tools, and enhanced monitoring mechanisms.

CBN releases inflation expectation survey report

The inflation expectations survey [report](#) by the Central Bank of Nigeria revealed that 85.1% of households and 80.7% of businesses believe the current inflation rate is high, with households primarily driving this sentiment. Inflation perception refers to how individuals or groups understand, interpret, and feel about the current rate of inflation. It reflects subjective views on how changes in the prices of goods and services affect purchasing power. The report shows that large businesses had the highest inflation perception in November at 87%, followed by micro businesses at 82.3%, medium businesses at 79.4%, and small businesses at 78.4%. By settlement type, urban residents reported a higher inflation perception (85.5%) than rural residents (84.4%). Among households, those earning between ₦100,000 and ₦150,000 per month had the highest inflation perception at 88.7%, while those earning above ₦200,000 had the lowest. Key drivers of inflation perception include rising energy and transportation costs, insecurity, and exchange rate depreciation. High inflation perception can weaken consumer and business confidence, widen income inequality, and exacerbate the rural-urban divide, potentially fueling economic dissatisfaction and social unrest. For businesses, heightened inflation perception could result in job cuts, undermining monetary policy effectiveness and stalling economic growth. To tame inflation expectations, the government needs to prioritize targeted reforms in key sectors including energy and transportation. Additionally, the government needs to implement policies to stabilize the naira and provide support to the most vulnerable households.

ECONOMIC SNAPSHOT	+	
Quarterly Indicators	'24Q2	'24Q3
GDP Growth Rate (%)	3.19	3.46
Oil GDP Growth Rate (%)	10.15	5.17
Non-oil GDP Growth Rate (%)	2.80	3.37
Unemployment Rate (%)	4.3	NA
Foreign Direct Investment (US \$ Million)	29.83	NA
Portfolio Investment (US \$Millions)	1404.70	NA
Other Investment (US \$Million)	1169.97	NA
External Debt (FGN & States- N'Trillion)	NA	NA
Domestic Debt (FGN + States & FCT N'Trillion)	NA	NA
Manufacturing Capacity Utilization (%)	14.1	NA
Imports (N'Billion)	12.47	14.67
Exports (N'Billion)	19.41	20.48
Total trade (N'Billion)	31.89	35.16
Trade balance (N'Billion)	6.94	5.81
Crude oil Export (N'Billion)	14.55	13.40
Non-Crude Oil Export (N'Billion)	4.85	7.08
Non-Oils Export (N'Billion)	1.77	2.50
Monthly Indicators	September 24'	October 24'
Headline Inflation (%)	32.70	33.88
Food Sub-Index (%)	37.77	39.16
Core Sub-Index (%)	27.43	28.37
External Reserves (End Period) (US\$ Billion)	38.35	40.2
Official Rate Approx. (N/US\$)	1,617.21	1,617.21
BDC Rate Approx. (N/US\$)	NA	NA
Manufacturing PMI	50.5	46.9
Non-Manufacturing PMI	NA	NA
Average Crude Oil Price (US\$/Barrel)	76.05	74.45
Petrol (PMS-N/litre)	1,030.46	1,184.83
Diesel (AGO -N/Litre)	1, 418.83	1, 441.28
Kerosene (HHK -N/Litre)	1,957.44	2,017
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	6,699.63	6,915.69
MPR (%)	27.25	27.50
CRR (%)de	45.00	50.00
T-Bill Rate (%)	16.91	18.0
Savings Deposit Rate (%)	6.79	6.79
Prime Lending (%)	16.75	17.01
Maximum Lending (%)	30.21	29.93
Narrow Money (N'Trillion)	35.55	34.64
Broad Money (N'Trillion)	108.95	107.66
Net Domestic Credit (N'Trillion)	11.78	11.39
Credit to the Government (Net) (N'Trillion)	42.01	40.04
Credit to the Private Sector (N'Trillion)	75.84	73.94
Currency in Circulation (N'Trillion)	4.31	4.28
FAAC (N'Trillion)	1.28	1.35

NA: Not Available

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