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GDP Growth Rate

The Nation's GDP expanded for the second consecutive quarter following the exit from recession. From a Year-on-Year revised rate of 0.72 percent, real GDP growth rate rose to 1.40 percent in 2017Q3¹. Real growth rate of the Oil sector stood at 25.89 percent, a remarkable 22.36 percentage points QOQ increase. In contrast, the Non-oil sector contracted by 0.76 percent in 2017Q3 – lower than the preceding quarter positive growth rate of 0.45 percent. In terms of contribution to GDP, QOQ, the oil sector contributed 10.04 percent, up from 9.04 percent contribution; while Non-oil sector contributed 89.96 percent, slacking slightly from 90.96 percent contribution. Among other factors, the recent upward stance in output growth is partly hinged on the significant improvements in the oil sector - the latter being buoyed by a rise in the crude oil price and output (From 1.87MBPD to 2.03 MBPD). Given that recent uptick in economic growth is being driven by the Oil Sector, it is expedient that the increased earnings from the sector be channeled towards the development of the Non-Oil Sector so as to mitigate negative future shocks from the Oil-Sector.



Inflation Rate

The consumer price index (Measure for inflation rate) sustained its downtrend in October 2017. Albeit a marginal decrease, the CPI fell Year-on-Year to 15.91 percent² from 15.98 percent in September 2017. Specifically, October's YOY Food component of the CPI decreased slightly to 20.31 percent from 20.32 percent, possibly due to base effect-induced slowdown in food prices. However, Month-on-Month acceleration in prices of some energy and petroleum products slightly reversed the Core component's downward trend, and pushed it up to 12.14 percent in October 2017. It is well known that keeping inflation rates low, stable, and predictable is necessary to provide a favorable climate for business and economic growth, as well as securing livelihood; thus, there is need for complementary fiscal and monetary efforts to sustain the downward pressure on inflation.



Agricultural Sector

On a Month-on-Month basis, average growth rate of selected food prices decreased in October 2017. Precisely, contracting by 1.24 percent in October³, average growth rate fell from 0.08 percent recorded in September 2017. Notably, the contraction reflected in the food sub-index of the headline inflation for October 2017. The marginal decrease in the prices of selected food items may be in line with seasonal levels, as the harvest season reaches its peak, thus making food items relatively available at various demand levels. Going forward, investment towards the provision of better farming inputs, technology, financing, and value addition across the agricultural value chain could help improve yield output and food security all through the year.



Petroleum Statistics

Recently released report by NBS shows increase across prices of all petroleum products for the Month of October 2017. Relative to September 2017, PMS (Petrol), AGO (Diesel), HHK (kerosene), and LPG (cooking Gas) increased by 1.0%, 9.3%, 3.4% and 24.2% respectively. Average prices rose to N146/litre⁴, N201.96/litre⁵, N273.44/litre⁶ and N2,374.07/5kg⁷ respectively. Recent increase in fuel prices has negative implication on the economy. It may generate a rise in transportation and domestic production costs, the effect of which may reverse or halt the ongoing upward and downward output growth and inflation trajectory. There is need to expand the supply of domestically-refined petroleum production to ease petroleum demand pressure and fuel import constraint. Existing domestic refineries should be put into optimal use to achieve the targeted output level.



Compiled by the Information and Data Management (IDM) Unit, CSEA

ECONOMIC INDICATORS

QUARTERLY ECONOMIC INDICATORS	2017Q1	2017Q2	2017Q3
GDP Growth Rate (%)	-0.91*	0.72*	1.40
Oil GDP (%)	-11.64	3.52*	25.89
Non-Oil GDP (%)	0.72	0.45	-0.76
Unemployment Rate (%)	NA	NA	NA
Underemployment Rate (%)	NA	NA	NA
Foreign Direct Investment (US \$'Million)	211.38	274.4	NA
Portfolio Investment (US \$'Million)	313.61	770.5	NA
Other Investments (US \$'Million)	383.28	747.5	NA
External Debt (FGN & States - N'Billion)	4,229.96	4,602.88	NA
Domestic Debt (FGN - N'Billion)	11,971.34	15,034.11	NA
Manufacturing Capacity Utilisation (%)	53.7	NA	NA
MONTHLY ECONOMIC INDICATORS	August-2017	September-2017	October-2017
Headline Inflation (%)	16.01	15.98	15.91
Food Sub-Index (%)	20.25	20.32	20.31
Core Sub-Index (%)	12.3	12.12	12.14
External Reserve (US\$ Million)	31,491.1	32,028.3	NA
All Share Index (Points)	NA	NA	NA
Market Capitalization (N' Billion)	NA	NA	NA
Exchange Rate (BDC - N/US\$)	365.57	NA	NA
Official Rate (N/US\$)	305.67	NA	NA
Manufacturing PMI	53.6	55.3	55.0
Non-Manufacturing PMI	54.1	54.9	55.3
Crude Oil Price(US\$/Barrel)	51.64	NA	NA
Petrol (PMS - N/litre)	144.4	144.5	146.0
Diesel (AGO - N/litre)	196.23	184.8	201.96
Kerosene (NHK - N/litre)	225.52	264.48	273.44
MPR (%)	14	14	14
Private Sector CRR (%)	22.5	22.5	22.5
Public Sector CRR (%)	22.5	22.5	22.5
91 Day T-Bill Rate (%)	13.35	13.2	NA
Savings Deposit (%)	4.08	4.08	NA
Prime Lending (%)	17.69	17.88	NA
Maximum Lending (%)	31.20	31.39	NA
Narrow Money (N'Billion)	9,890.81	10,064.24	NA
Broad Money (N'Billion)	21,851.45	21,953.99	NA
Net Domestic Credit (N'Billion)	26,821.45	26,985.31	NA
Credit to Government (N'Billion)	4,824.23	4,963.41	NA
Credit to Private Sector (N'Billion)	2,199.72	2,202.19	NA
Currency in Circulation (N'Billion)	1,868.74	1,781.05	NA
FAAC (N' Billion)	637*	558.08*	NA

*Revised GDP figures

NA: Not Available

- ¹National Bureau of Statistics (2017). “Nigerian Gross Domestic Product Report (2017Q3)”. Retrieved from, <http://nigerianstat.gov.ng/elibrary>
- ² National Bureau of Statistics (2017). “Consumer Price Index, October 2017”. Retrieved from, <http://nigerianstat.gov.ng/elibrary>
- ³ National Bureau of Statistics (2017). “Selected Food Price Watch, October 2017”. Retrieved from, <http://nigerianstat.gov.ng/elibrary>
- ⁴ National Bureau of Statistics (2017). “Premium Motor Spirit Price Watch (October 2017)”. Retrieved from, <http://nigerianstat.gov.ng/elibrary>
- ⁵ National Bureau of Statistics (2017). “Automotive Gas Oil (Diesel) Price Watch (October 2017)”. Retrieved from, <http://nigerianstat.gov.ng/elibrary>
- ⁶ National Bureau of Statistics (2017). “National Household Kerosene Price Watch (October 2017)”. Retrieved form, <http://nigerianstat.gov.ng/elibrary>
- ⁷ National Bureau of Statistics (2017). “Liquefied Petroleum Gas (cooking Gas) Price Watch (October 2017)”. Retrieved from, <http://nigerianstat.gov.ng/elibrary>