

Solid Minerals Sector

Data from the NBS on mining and quarrying in Nigeria show an increase in the quantity of solid minerals produced in 2017. Precisely, Nigeria produced 45.75 million tons of solid minerals in 2017¹ – up by 5.2 percent Year-on-Year. Disaggregated by states, Ogun state produced the largest tons of about 51 percent of total solid minerals, followed by Kogi and Abuja with 11 and 10 percent respectively. By type, granite and limestone were the most produced solid minerals, representing 38 percent and 31 percent of total tons respectively. The increase in production of solid mineral may have been triggered by improved demand for raw materials needed to produce end-products like cement – given the commissioning of the Okpella factory in 2017². The solid minerals sector can improve related sectors and be a significant contributor to the nation's output. However, there must be interventions by the government and other stakeholders in building soft and hard infrastructure, incentivizing investment and gathering geo-science data.



Commodity Export

Nigeria's crude oil exports rose slightly in July 2018, following four months of decline. Total exports rose to 1.64 million barrels per day, from 1.61MBPD in the previous month³ – a marginal increase of about 2 percent. Accompanied by abated militancy in the Niger-delta, Shell opened the previously closed major export line (Nembe creek line) and lifted export restrictions on key bonny light grades in the review month⁴, hence the slight improvements in exports. Regardless of the improvement on the crude oil front, other sectors as well as innovative financing mechanisms should be pursued in order to reduce dependence on the volatile and internationally determined commodity export.



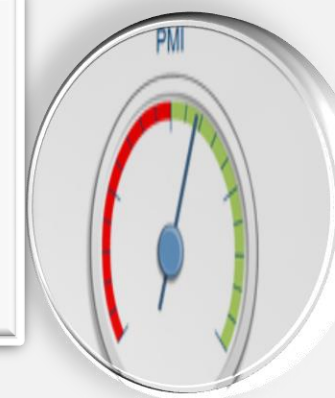
Purchasing Managers' Index

Manufacturing PMI moderated to 56.8 points in July 2018, from 57 points in June 2018. Non-manufacturing PMI stood at 57.7 points, from 57.5 points⁵. Both PMI indices have stayed above the neutral 50-point mark of expansion for sixteen and fifteen consecutive months respectively, showing sustained expansion in both manufacturing and non-manufacturing sectors. Nevertheless, there is need for a holistic approach to unlock the development of transport infrastructure (rail, road and air) in the country, to allow the economic sector perform beyond the bare minimum.



Stock Market

The Nigeria Stock Exchange market traded on a negative note in the month of July 2018, even as the market was down/bearish for 13 days out of the 22 trading days. All share index lost 1,260.8 points to close at 37,017.8 points, Market capitalization fell by N457 billion to N13.41 trillion⁶. The bearish sentiments were at the backdrop of a mix of low liquidity occasioned by decline in high capital stocks, mixed performance of listed companies and political uncertainties⁷. Improving the ease of doing business and maintaining a stable political environment is central to sustainable business growth and stock market performance in Nigeria.



ECONOMIC SNAPSHOT		
Quarterly Indicators	'17Q4	'18Q1
GDP Growth Rate (%)	2.11	1.95
Oil GDP (%)	11.20	14.77
Non-oil GDP (%)	1.45	0.76
Unemployment Rate (%)	NA	NA
Foreign Direct Investment (US \$ Million)	378.41	246.62
Portfolio Investment (US \$Millions)	3,477.53	4,565.09
Other Investment (US \$Million)	1,526.92	1,491.93
External Debt (FGN & States- N'Billion)	5,787.51	NA
Domestic Debt (FGN-N'billion)	3,348.77	NA
Manufacturing Capacity utilization (%)	NA	NA
Monthly Indicators	May'18	Jun'18
Headline Inflation (%)	11.61	11.23
Food Sub-Index (%)	13.45	12.988
Core Sub-Index (%)	10.7	10.4
External Reserves (End Period) (US\$ Million)	47,605	47,789
Official Rate Approx. (N/US\$)	305	305
BDC Rate Approx. (N/US\$)	362	362
Manufacturing PMI	56.5	57.0
Non-Manufacturing PMI	57.3	57.5
Crude Oil Price (US\$/Barrel)	NA	NA
Petrol (PMS-N/litre)	150.2	148.1
Diesel (AGO -N/Litre)	205.67	204.97
Kerosene (HHK -N/Litre)	280.29	279.67
MPR (%)	14	14
CRR (%)	22.5	22.5
91 Day T-Bill Rate (%)	11.43	NA
Savings Deposit (%)	4.07	NA
Prime Lending (%)	NA	NA
Maximum Lending (%)	NA	NA
Narrow Money (N'Billion)	NA	NA
Broad Money (N'Billion)	NA	NA
Net Domestic Credit (N'Billion)	NA	NA
Credit to the Government (N'Billion)	NA	NA
Credit to the Private Sector(N'Billion)	NA	NA
Currency in Circulation (N'Billion)	NA	NA
FAAC (N'Billion)	NA	NA

*Revised GDP figures/tentative figures

NA: Not Available

¹National Bureau of Statistics (2018). “State Disaggregated Mining and Quarrying Data (2017)”. Retrieved from, <http://www.nigerianstat.gov.ng/>

²Daily Post (2017). “Osinbajo commissions BUA Group’s \$1bn ultramodern cement factory in Okpella, Edo State”. Accessed August 7, 2018. <http://dailypost.ng/2017/09/01/osinbajo-commissions-bua-groups-1bn-ultramodern-cement-factory-okpella-edo-state/>

³Business Day (2018). “Nigeria’s crude export rises to four month high”. Accessed August 7, 2018. <https://www.businessdayonline.com/exclusives/article/nigerias-crude-export-rises-four-month-high/>

⁴Reuters (2018). “Shell lifts force majeure on Nigerian Bonny Light crude exports – traders”. Accessed August 7, 2018. <https://af.reuters.com/article/nigeriaNews/idAFL8N1U94W1>

⁵CBN (2018). “Purchasing Managers’ Index (PMI) Survey Report, July 2018”. Retrieved from, https://www.cbn.gov.ng/Out/2018/SD/PMI_Report_July%202018.pdf

⁶NSE (2018). “Market Indices”. Accessed August 7, 2018. <http://www.nse.com.ng/>

⁷Leadership (2018). “Stocks Market Posts N457bn Loss In July”. Accessed August 8, 2018. <https://leadership.ng/2018/08/02/stocks-market-posts-n457bn-loss-in-july/>