

Macro-Economic Highlights Report for November/December 2019



Nigeria's GDP rose by 2.28% in Q3 2019: Nigeria's GDP grew by 2.8% in real terms, in the third quarter of 2019, compared to the third quarter of 2018, which recorded a growth of 1.81%. The National Bureau of Statistics disclosed that the real GDP growth rate observed in the third quarter indicated an increase of 0.47%.

DMO puts Nigeria's total debt profile at ₦25.7trn: The Debt Management Office (DMO) has stated that Nigeria's total debt profile is now ₦25.7trn. The external borrowing accounts for about 32% of the total debt while 68% accounts for domestic.






UNIDO's \$60mn programme boost Nigeria's industrialisation: The UNIDO Country Programme (2018-2022) will help Nigeria to achieve Inclusive and sustainable industrial development. The new UNIDO Nigeria Country Programme aligns with the Federal Government's current economic and industrialisation priorities and agenda.

Nigeria earned ₦275bn from VAT in Q3 2019: A total of ₦275.12bn was earned from Value Added Tax in the third quarter of 2019. The recent earnings represents a decline of ₦36.82bn when compared with the ₦311.94bn generated in the second quarter.

Nigeria's inflation rises to 11.98%, highest in 20 months: The nation's inflation rate rose to 11.98% in December 2019, its highest level since May 2018. This represents a 0.13% increase recorded in November 2019. A major cause of the inflation was due to a continued increase in food prices due to the sustained border closure and festive season.

Non-oil exports double to ₦2trn in 2019: The FG has stated that the non-oil exports doubled from about ₦1trn to ₦2trn between 2018 and 2019. The value of crude oil exports decreased by 3.78% and non-crude oil exports rose by more than 30% in value between 2018 and 2019. Furthermore, the value of exports grew by 2.5% between 2018 and 2019 as at the third quarter, rising from ₦14trn to ₦14.4trn.

Updated Key Macro-Economic Indices

Inflation (Dec 2019)		11.98%
Unemployment Rate (Q3 2018)		23.1%
Underemployment Rate (Q3 2018)		21.2%
Youth Unemployment (Q2 2018)		29.72%
PMI (Dec 2019)		60.8%



Key Macro-Economic Highlights

↑ Highs

- 1) FG launches agriculture gender policy to promote equal representation.
- 2) FG generates ₦4.25trn in 2019.
- 3) "6mn Nigerians join rice producers", says FG.
- 4) Farmers earned ₦201bn from exports in 9 months.
- 5) CBN disburses ₦611.5bn to commercial farmers.
- 6) FG realizes ₦4bn from border closure.
- 7) Banks generate ₦675.9bn non-interest income in 9 months.
- 8) Customs realise ₦1bn on duties in 3 months.
- 9) ICT sector contributed 13.85% of Nigeria's GDP.
- 10) AfDB approves \$124.2mn loan for water sector reforms in Akure, Ondo State.
- 11) African Development Bank approves capital increase to \$208bn.
- 12) Nigeria earns ₦5trn from oil in 11 months.
- 13) Nigeria's manufacturing sector's GDP to hit ₦49.6trn with 40,000Gwh of power supply.
- 14) FG earmarks ₦61bn for Nigeria-Siemens power deal.

↓ Lows

- 1) Government records ₦380bn deficit in Q3, as earnings' target fails.
- 2) Stock investors lost ₦620bn in October 2019.
- 3) Banks' non-performing loans decline by ₦1.14trn.
- 4) FG revenue dipped by ₦388bn in November – CBN.
- 5) Nigeria's AGOA export fell by 25%.
- 6) Debt servicing gulped \$1.09bn in nine months – CBN
- 7) Foreign investment inflow declines from 5.8bn to 5.4bn In Q2 2019.
- 8) Border closure responsible for rising inflation.



MSME Corner

- 1) Farmers to get 50% discount on agriculture equipment.
- 2) FG has disbursed ₦19.9bn to petty traders – Bol
- 3) 84 women benefit from INTELS' CSR programme.
- 4) FG to distribute ₦10bn Trader Moni loan in 2020.
- 5) FG gives ₦106.5mn to academies, innovators.
- 6) Schneider Electric and NAPTIN train electricians; seek gender inclusion.
- 7) TEF announces beneficiaries for entrepreneurship programme.
- 8) CAC records 300,000 new business registrations for SMEs.
- 9) DBN disburses ₦100bn to 95,000 MSMEs.
- 10) FG pays 500,000 N-Power beneficiaries ₦360bn.
- 11) 20 tech start-ups get Obaseki's ₦10mn grant.
- 12) ECOWAS, others target 50mn African women to \$42bn-worth business.



Consumer Insights and Forecasts

- 1) Nigeria consumes ₦1.2bn worth of CBN slashes electronic transfer, ATM withdrawal charges.
- 2) Opay gets CBN approval for international money transfer.
- 3) Border closure responsible for rising inflation.

Industry Spotlight



MSMEs

- 1) **Farmers to get 50% discount on agriculture equipment:** The partnership programme would provide 14mn bags of fertilizer among other insurance package for 3.9mn farmers by 2020, and increase the programme reach to 19mn by 2025.
- 2) **FG has disbursed ₦19.9bn to petty traders – Bol:** The FG had disbursed a total of ₦19.9bn to petty traders under the Government Enterprise Empowerment Programme. GEEP is one of the four components of the National Social Investment Programme of the Federal Government that grants interest-free loans of between ₦10,000 to ₦300,000.
- 3) **FG to distribute ₦10bn Trader Moni loan in 2020:** The FG plans to distribute ₦10bn as Trader Moni loan to petty traders and artisans in the 2020 fiscal year. Under the Trader Moni scheme, the FG provides interest free and collateral free loan to petty traders and artisans. The loan ranges from ₦10,000 to ₦100,000 per beneficiary.
- 4) **DBN disburses ₦100bn to 95,000 MSMEs:** Between January and October 2019, the sum of ₦100bn was disbursed by the Development Bank of Nigeria as loans to 95,000 Micro, Small and Medium Enterprises. Out of this amount, ₦70bn, which is about 70%, was disbursed as loans to businesses owned or managed by women. FG pays 500,000 N-Power beneficiaries ₦360bn.
- 5) **ECOWAS, others target 50mn African women to \$42bn-worth business:** The Economic Community of West African States (ECOWAS), Common Market for Eastern and Southern Africa (COMESA), and East African Community (EAC), have concluded plans to connect about 50mn African women in business in Africa. The deal is based on financing by the African Development Bank (AfDB), and bridging the gap for women entrepreneurs across business value chains in Sub-Saharan Africa, estimated at about \$42bn.



Consumer Insights and Forecasts

- 1) **Nigeria consumes ₦1.2bn worth of CBN slashes electronic transfer, ATM withdrawal charges:** According to the CBN, bank customers will now pay ₦10 for electronic transfers below ₦5,000, and ₦25 for electronic transfer between ₦5,000 and ₦50,000. Only electronic transfer above ₦50,000 will attract ₦50 charge. Previously, bank customers pay ₦50 charge for electronic transfers below ₦500,000.
- 2) **Opay gets CBN approval for international money transfer:** OPay will start facilitating B2B, B2P and P2P remittance services into Nigeria. This is coming on the heels of the earlier announced \$50mn fundraised from a major venture capitalist some months ago.
- 3) **Border closure responsible for rising inflation:** The closure is temporary as FG expects neighbouring countries to respect the ECOWAS protocols to enable the reopening of the borders.