

Macro-Economic Highlight Report for November/December 2018



20.9 million Nigerians are unemployed: The Labour Statistics Report for Q3 2018 showed that the unemployment rate rose from 18.8% in Q3 2017 to 23.1%. The total number of people classified as unemployed increased from 17.6mn in Q4 2017 to 20.9mn in Q3 2018. Out of these 20.9mn persons classified as unemployed in Q3 2018, 11.1mn worked under 20 hours a week while 9.7mn were unemployed (had no job).

Investment inflows into economy dropped by \$2.66bn in Q3 2018: Investment inflows into the economy declined by 48.21% in Q3 2018 from \$5.51bn which the economy attracted during the second quarter of this year.

Non-oil sector boosts output as GDP growth rises to 1.81% In the third quarter of the year with the economy recorded a growth rate of 1.81% in comparison with the preceding year. The report stated that the non-oil sector boosted economic output for the period as the sector grew by 2.32 % in real terms. The growth rate of the non-oil sector in the third quarter of the year was higher by 3.08% when compared to the second quarter 2017 growth rate for the sector.

Nigeria recorded \$4.54bn balance of payments deficit in Q3 2018: The balance of payments estimates for Q3, 2018, showed a significant turnaround in the country's position as the overall balance of payments swung into a deficit of \$4.54bn compared to surpluses of \$503m and \$2.78bn recorded in the preceding quarter and the corresponding period of 2017, respectively.

Development Bank finances 35,000 MSMEs in one year: The Development Bank of Nigeria has signed on at least 35,000 Micro Small and Medium Enterprises in its first year of operation. This translates to a 75% increase over its announced projection of 20,000 MSMEs for the year. The Federal Government had created DBN to provide structured and sustainable financing to small businesses.



Updated Key Macro-Economic Indices

Inflation (Nov 2018)	↑	11.28%
Unemployment Rate (Q3 2018)	↑	23.1%
Underemployment Rate (Q3 2018)	=	21.2%
Youth Unemployment (Q2 2018)	↓	29.72%
PMI (Nov 2018)	↑	57.9%



Key Macro-Economic Highlights

↑ Highs

- 1) States will soon access World Bank's \$750m loan — FG
- 2) FG earned ₦1.16bn from rail in six months – NBS
- 3) Germany invests €20m to address unemployment and migration in Nigeria
- 4) Nigeria cut food imports, saved \$21bn in 34 months — Emefiele
- 5) ICT sector attracted \$8bn FDI in 3 years
- 6) Nigeria generates \$180m from gaming activities
- 7) Economy gained \$101mn from IT start-ups
- 8) Nigeria gained 1.89 million new Internet users in Nov 2018
- 9) Nigeria, others get AfDB's \$40m infrastructure lifeline
- 10) Nigeria's first gold refinery to be completed June 2019
- 11) AfDB funds \$410m power transmission expansion projects
- 12) Active lines increased to 165m in October – NCC

↓ Lows

- 1) Nigeria loses \$3bn annually to illegal trade in gemstones.
- 2) FG recorded N66.51bn deficit in October 2018– CBN
- 3) Higher food prices push inflation to 11.28%
- 4) Two global banks close offices in Nigeria
- 5) Banks' non-performing loans rise to N2.24tn
- 6) 276,852 PoS transactions failed on Christmas Eve —NIBSS
- 7) Nigeria imports \$3.3bn steel products yearly'
- 8) FG loses \$325m revenue yearly to smuggled textiles
- 9) Oil export revenue drops by N403bn, says CBN
- 10) Nigeria's active oil rigs drop by 18% to 28
- 11) 'Telecom operators record 33,000 cases of theft, destruction of facilities'
- 12) Telecoms capital inflow shrinks by 66% to \$11.42mn



Consumer Insights and Forecasts

- 1) FG to open new Lagos airport terminal Q1 2019
- 2) Broadband penetration hits 23%
- 3) 70% of lubricants in Nigeria are substandard — SON
- 4) Electricity consumers' complaints rose to 153,227 in Q2 2018
- 5) Nigerian women, highest consumers of our products – Japan
- 6) Consumer spending to hit \$2.1tn by 2025 – CPC
- 7) Nigeria's GSM industry generated \$1.8bn in 2017
- 8) Broadband makes 74% of mobile subscriptions



MSME Corner

- 1) Diamond Bank disburses N1bn loans to SMEs
- 2) Osun disburses N4.5bn to SMEs
- 3) FEC approves leather policy to enhance indigenous technology
- 4) Trader Moni: FG, Unity Bank target 35,000 SMEs in Jigawa
- 5) GE Nigeria unveils e-learning portal for entrepreneurs
- 6) Bol lists loan conditions for beauty, cosmetics industry
- 7) FG disburses \$40mn empowerment fund to states