

Macro-Economic Highlight Report for March 2019



Nigeria recorded ₦32trn trade in 2018: The Nigerian economy recorded a total of ₦32.2trn trade in 2018. According to the National Bureau of Statistics report, there was an increase in trading activities of about 39.31% compared to the total trade figure recorded in 2017. The report also indicated significant improvements in export trade with a value of ₦19.09trn which was 40.46% higher than the previous year.

Inflation rate drops to 11.31% in February 2019: The National Bureau of Statistics released the Consumer Price Index which measures inflation with the index dropping from 11.37% in January to 11.31% in February 2019. The report also indicated that urban inflation rate increased by 11.59% year-on-year in February from 11.66% recorded in January 2019.

Nigeria, others need 20.4mn new jobs yearly: The International Finance Corporation has stated that African countries need to create 20.4mn new jobs yearly (1.7 million jobs monthly) by developing a striving and competitive sector enabled by free trade and opportunities across the continent.

France unveils €2.5bn African development plan: The Government of France has launched an initiative to develop African businesses through a combination of credits, loan guarantees and direct investment worth a total \$2.8bn. The "Choose Africa" plan follows a pledge by French President in November 2017 to help small and medium sized enterprises (SMEs) grow on the Continent, aimed at meeting African demographic and environmental challenges.

External reserves rise to six-month high of \$44.14bn: The external reserves have gained over \$1.8bn since February 28, when it dropped to its 2019 low of \$42.296bn.

Nigeria earned ₦5.54trn from oil in 2018: The oil revenue was earned through three major oil revenue sources which include petroleum profit tax/royalties and others



Updated Key Macro-Economic Indices

Inflation (Feb 2019)	↓	11.31%
Unemployment Rate (Q3 2018)	↑	23.1%
Underemployment Rate (Q3 2018)	=	21.2%
Youth Unemployment (Q2 2018)	↓	29.72%
PMI (Mar 2019)	↓	57.4%



Key Macro-Economic Highlights

↑ Highs

- 1) ITF trains fresh 700 youths in ICT
- 2) Nigeria, others to push mobile money accounts to 110 million by 2024.
- 3) Broadband penetration rises to 32.34%
- 4) Nigeria produces 55.85 million tons of solid minerals
- 5) Kano signs \$500mn MoU with World Bank
- 6) Exporters earned \$1.16bn from non-oil business in three months
- 7) FG implements 140 reforms in three years –PEBEC
- 8) Nigeria, US trade hits \$35bn
- 9) Nigeria among top seven countries implementing EITI globally
- 10) Lagos oilfield output hit 1.2mn barrels in 2018
- 11) Nigerian crude oil grades get boost in Europe

↓ Lows

- 1) Nigeria spends \$60m annually on fish imports.
- 2) Nigeria wastes 200bn litres of water annually
- 3) Investors lose ₦517bn in post-election trading
- 4) FG plans to borrow ₦1.6trn in 2019
- 5) Nigeria loses \$16bn to production sharing contracts
- 6) Nigeria's oil exports drop as Aiteo shuts pipeline
- 7) Refineries lost ₦132bn in 2018
- 8) Nigeria lost ₦234bn to gas flaring in 2018
- 9) Discos failed to remit ₦325.54bn in 10 months
- 10) FG spent ₦2.95trn on petrol imports in 2018
- 11) NNPC loses ₦228.1bn revenue as refineries remain dormant
- 12) US slashes imports of Nigerian crude by 43%
- 13) NBET owes electricity producers ₦364bn in 10 months
- 14) Electricity generation drops to 4,114MW



Consumer Insights and Forecasts

- 1) Insurance claims from crashed Ethiopian airline may hit \$60mn
- 2) Nigeria. ng domain grows to 134,320 in three months
- 3) Telecoms subscribers rose to 172.8 mn
- 4) Currency in circulation drops by ₦189.33bn in one month
- 5) Consumer goods, financial services top attractive investment sectors
- 6) Uber upgrades injury protection for Nigeria's driver-partners
- 7) Taxify rebrands to Bolt, unveils new logo
- 8) Jumia moves to sell shares in New York
- 9) Online marketplaces capable of creating three million jobs
- 10) Nigerians spend ₦767.23bn on airtime in three months



MSME Corner

- 1) AfDB begins empowerment initiative to create 25,000 jobs in Nigeria
- 2) MSMEs represent 96% of businesses in Nigeria
- 3) Google to empower 50,000 women in Nigeria
- 4) LASG trains 350 artisans
- 5) CAC registers 73,000 companies in three months
- 6) FG unveils PEBEC app to boost business environment

Industry Spotlight



MSMEs

- 1) **CAC registers 73,000 companies in 3 months:** The Corporate Affairs Commission (CAC) has so far registered no less than 73,000 companies within three months under its cost-friendly Business Incentive Strategy (BIS) rolled out in October 2018. There has been a notable increase of over 100% compared with business registered in 2017.
- 2) **FG unveils PEBEC App to boost business environment:** The Federal Government has launched a trade app to improve the business climate in Nigeria, especially for the Micro, Small and Medium Enterprises (MSMEs), in line with the Ease of Doing Business (EoDB) initiative.
- 3) **AfDB extends empowerment initiative to Nigeria:** The African Development Bank has commenced its 'Coding for Employment' programme in Nigeria, as part of efforts to create 25mn jobs in Africa. The intervention will enable more young people and students across Africa and in Nigeria to become computer literate, with coding and digital skills training, under its 'Coding for Employment' programme.
- 4) **MSMEs represent 96% of businesses in Nigeria:** Micro Small and Medium Enterprises represented 96% of business activities in the country. According to the survey report, 37mn MSME engaged 59.7mn persons, which is 84.2% of the labour force, contributing to 7.27% of the nation's Gross Domestic Product.



Consumer Insights and Forecasts

- 1) **Currency in circulation drops by ₦189.33bn in one month:** Currency in circulation dropped by ₦189.33bn to ₦2.139trn at the end of January 2019 from ₦2.329trn as of December 2018, according to the Central Bank of Nigeria. Some experts have linked the fall in currency in circulation to the increase in electronic transactions.
- 2) **Consumer goods, financial services top attractive investment sector:** Consumer goods and financial services are top attractive investment sectors in Nigeria. The report was the result of a survey of 50 senior business executives working in global companies which had presence in Nigeria and had completed at least one acquisition in Nigeria in the last four years.
- 3) **Jumia moves to sell shares in New York:** Jumia Technologies, filed for its initial public offering at the New York Stock Exchange. The firm seeks to take advantage of rising Internet access and increasing smartphone use on the continent and is seeking a public listing to raise funds and boost awareness
- 4) **Online marketplaces capable of creating 3mn jobs:** A new report by Boston Consulting suggests that online marketplaces such as Jumia, Uber, and Travelstart can create around 3mn new jobs by 2025 across Africa.