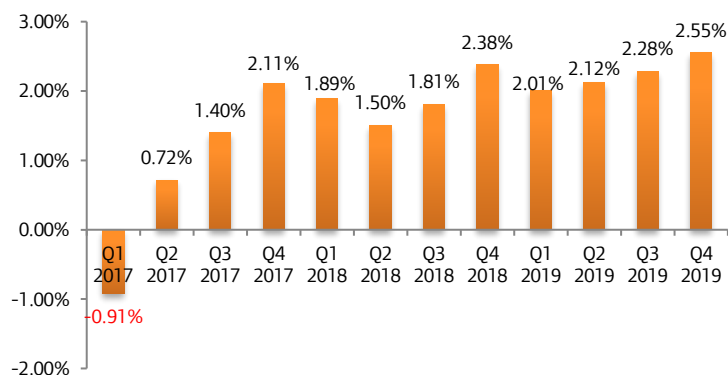


Y-o-Y Real GDP Growth Rates



Q4 2019 Real GDP Grows by 2.55% on Strong Non-Oil Sector Performance.

- In line with our expectation, Nigeria's real Gross Domestic Product grew year-on-year (y-o-y) by 2.55% to N19.53 trillion in Q4 2019, faster than 2.28% growth registered in Q3 2019. Hence, full year 2019 real GDP grew by 2.27% to N71.39 trillion (or about USD450 billion) – a little shy of IMF's 2.30% growth estimate for 2019. The Non oil sector, accounting for 92.68% of total GDP, was the main driver of growth having climbed 2.26% to N18.10 trillion in Q4 2019 (faster than +1.85% in Q3 2019).
- The agricultural sector, which accounted for 26.09% of total GDP, grew y-o-y by 2.31% in Q4 2019, faster than 2.28% in Q3 2019. Remarkably, the financial services sector spiked by 20.18% even as it accounted for 3.19% of real GDP.
- The oil & gas sector also grew y-o-y by 6.39%, albeit slower than 6.49% recorded in Q3 2019 – the sector actually recorded a quarterly plunge of -20.87% amid lower crude oil production volumes and prices.

Major Sectors	Q4 2019	Q3 2019	Q-o-Q %Change
Oil & Gas (N 'Trn)	1.429	1.806	-20.87%
Y-o-Y %Change	6.39%	6.49%	
Non-Oil Sector (N 'Trn)	18.098	16.687	8.45%
Y-o-Y %Change	2.26%	1.85%	
Quarter GDP (N 'Trn)	19.527	18.494	5.59%

Share of Real GDP (%)	Q4 '19 Share of Real GDP	Q4 '19 y-o-y Growth (%)	Q3 '19 y-o-y Growth (%)
Agriculture	26.09%	2.31%	2.28%
Trade	15.99%	-0.58%	-1.45%
Info & Comm	13.12%	8.50%	9.88%
Manufacturing	8.74%	1.24%	1.10%
Mining & Quarrying	7.48%	6.07%	6.19%
Real Estate	6.21%	-3.45%	-2.31%
Profes, Sci & Tech Services	3.64%	0.55%	-2.62%
Construction	3.44%	1.31%	2.37%
Financial Services	3.19%	20.18%	1.07%
Education	2.47%	0.84%	1.19%
Other Economic Activities	9.64%		
Qtr 2019 Real GDP	N19.53 Trn	2.55%	2.28%

Source: National Bureau of Statistics, Cowry Research
Growth Rates: Year-on-Year

We opine that Nigeria's Q1 2020 real GDP may be negatively impacted by external shocks, especially from expected weakness in global consumption as the world battles to contain COVID-19 virus. Slower expansion in manufacturing and non-manufacturing PMIs of 59.2 (from 60.8) and 59.6 (from 62.1) in January 2020 also suggest sluggish growth for Q1 2020. However, we expect early implementation of the 2020 budget, especially on capex, as well as anticipated adoption of the N30,000 new minimum wage should provide some support to growth.