



GROSS DOMESTIC PRODUCT Q3 2021

KAIROS RESEARCH



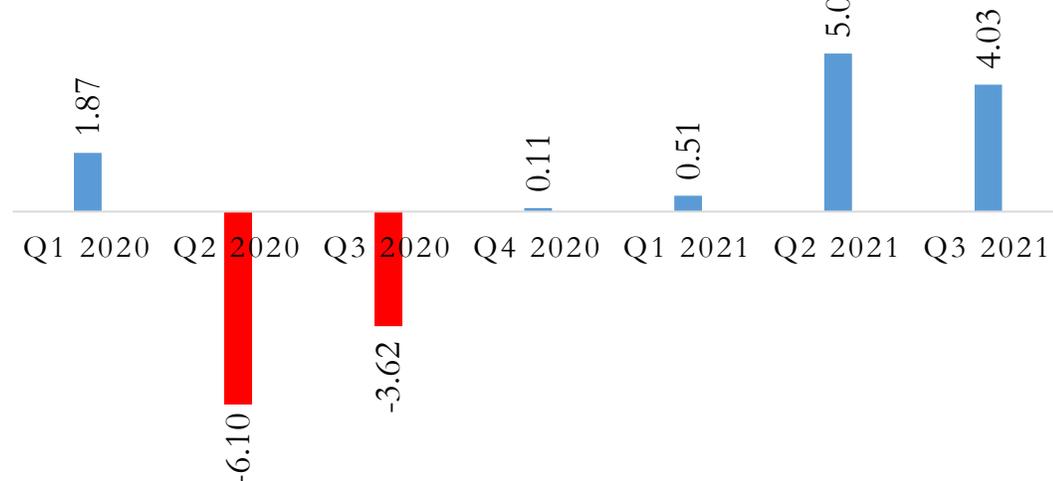
Gross Domestic Product – Q3 2021

Gross domestic product (GDP) is the total monetary value of all the finished goods and services produced within a country's borders in a specific time period expressed in nominal or in real terms.

KEY POINTS OF NIGERIA'S Q2 2020 GDP REPORT

- Nigeria's GDP increased by +4.03% year-on-year (YoY) in real terms in Q3 2021, showing a sustained positive growth over the last four quarters since the recession witnessed in 2020.
- Nominal GDP stood at ₦45.11 trillion while Real GDP was ₦18.54 trillion which indicated a nominal growth decline of +15.41% YoY and +4.05% YoY growth in real terms.
- Relative to Q2 2021, nominal growth rate was higher by +15.31% points while real growth rate increased +11.07% points.

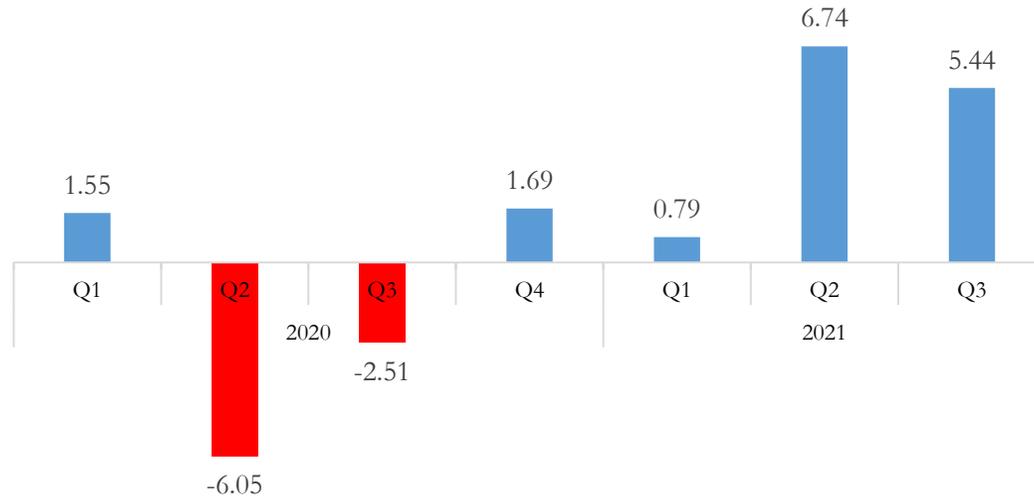
GDP GROWTH (Q1 2020 – Q3 2021)



The GDP showing a sustained positive growth over the last four quarters since the recession witnessed in 2020. Output contracted by -6.10% and -3.62% in Q2 and Q3 of 2020 under the Covid pandemic. The Q3 2021 growth rate was higher than the -3.62% growth rate recorded in Q3 2020 by 7.65% points and lower than 5.01% recorded in Q2 2021 by 0.98% points, indicative of a continuous recovery.

Source: National Bureau of Statistics (NBS), Kairos Capital

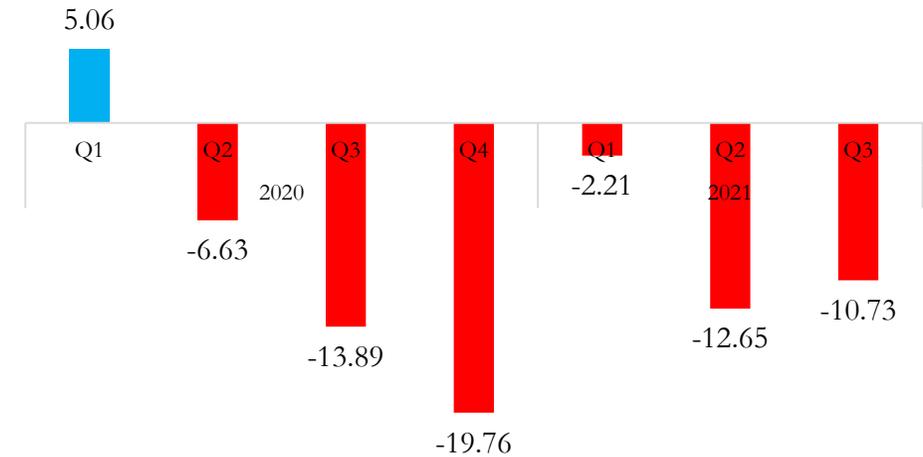
Non-Oil Sector Growth (Q1 2020 - Q3 2021)



Source: National Bureau of Statistics (NBS), Kairos Capital

The non-oil sector grew by +5.44% in real terms during the reference quarter, which is 7.95% points higher than the rate recorded in Q3 2020 but 1.3% points lower than in the second quarter of 2021. The non-oil sector was driven mainly by Trade, Information and Communication (Telecommunications), with other drivers being Agriculture (Crop Production), Financial and Insurance (Financial Institutions), Manufacturing (Food, Beverage & Tobacco).

Oil Sector Growth (Q1 2020 - Q3 2021)

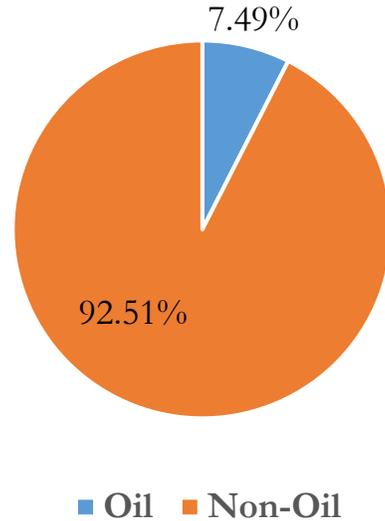


Source: National Bureau of Statistics (NBS), Kairos Capital

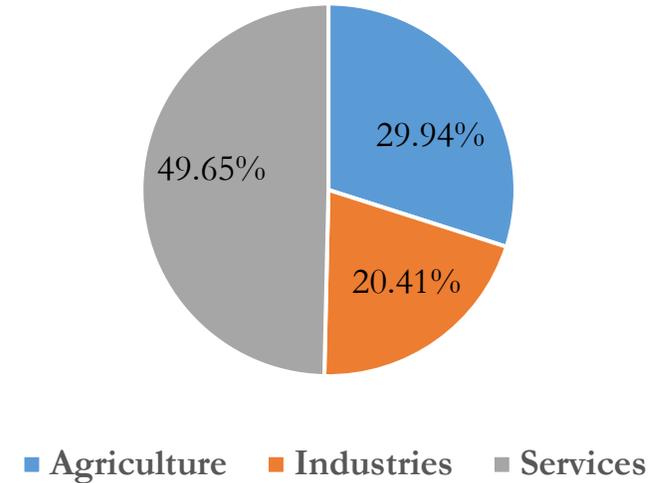
The Oil sector recorded a real negative growth rate of -10.73% YoY in Q3 2021, indicating an increase of 3.16% points relative to the rate recorded in the corresponding quarter of 2020 (-13.89%).

In Q3 2021, the average daily oil production was 1.57 million barrels per day (mbpd) down from 1.67mpd in the same quarter of 2020 and 1.61mpd in Q2 2021.

Oil and Non-Oil Sector Contribution



Contribution to Real GDP Q3 2021



- The Oil sector contributed 7.49% to total real GDP in Q3 2021, down from figures recorded in the corresponding period of 2020 and up compared to the preceding quarter, where it contributed 8.73% and 7.42% respectively.
- The Non-Oil sector contributed 92.51% to the nation's GDP in third quarter 2021, higher from share recorded in the third quarter of 2020 which was 91.27% and lower than the second quarter of 2021 recorded as 92.58%.

KEY SECTOR HIGHLIGHTS

- Nigeria's services sector showed strong contribution to the GDP during the period under review as it contributed 49.65% to the aggregate GDP down from 55.66% recorded in Q2 2021.
- The industrial sector recorded a marginal decrease in its contribution to GDP at 20.41%, 15bps down from 20.57% in Q2 2021.
- The agriculture sector expanded to 29.94% from 23.78% in the previous quarter. Crop Production remained the major driver of the sector. This is evident as it accounts for 87.32% of overall nominal growth of the sector in third quarter 2021.

Source: National Bureau of Statistics (NBS), Kairos Capital

