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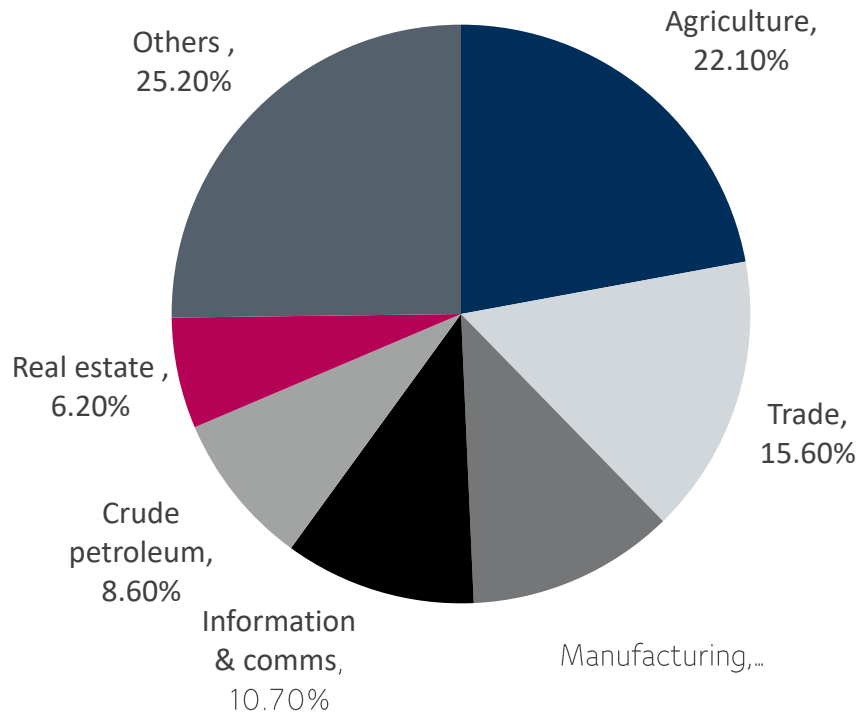
An overview of the Nigerian economy

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On the surface, a diversified economy

Nigerian economy (% shares of GDP; 2019 at current prices)

GDP 2019: N144.21trn (US\$398.4bn at I&E/NAFEX rate)

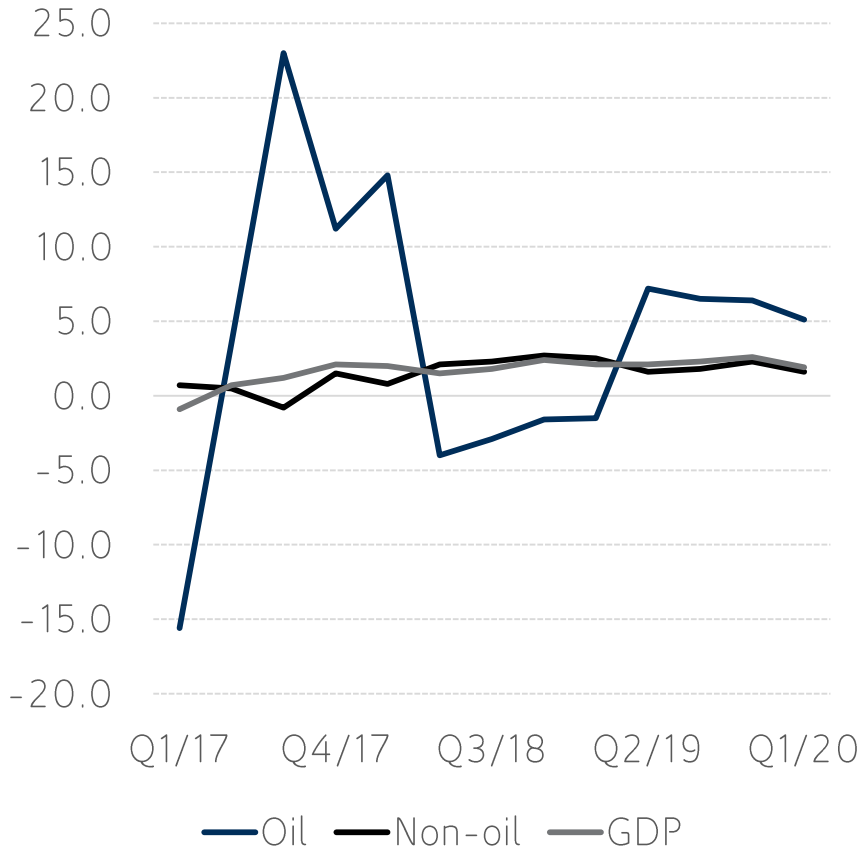


Oil's direct share of GDP limited to 9% but indirect share probably 40%+ due to its many linkages.

Sources: National Bureau of Statistics (NBS); FBNQuest Capital Research

Gross Domestic Product (GDP)

GDP, oil and non-oil growth (% chg y/y)



Emergence from earlier recession in small steps torpedoed by Covid-19

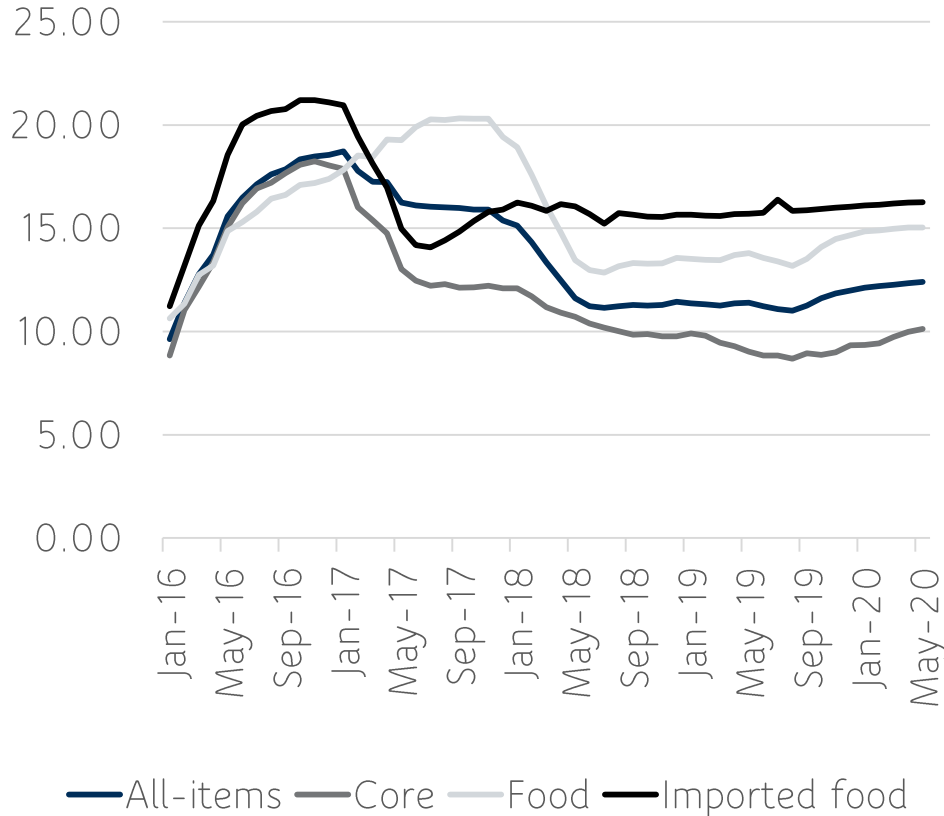
The latest data from the NBS show that GDP grew by 1.9% y/y in Q1.

The oil economy grew by 5.1% y/y while the non-oil economy grew by 1.6% y/y.

Sources: National Bureau of Statistics (NBS); FBNQuest Capital Research

Inflation

Consumer price inflation (y/y; % chg)



Headline inflation:
12.34% to **12.40%**

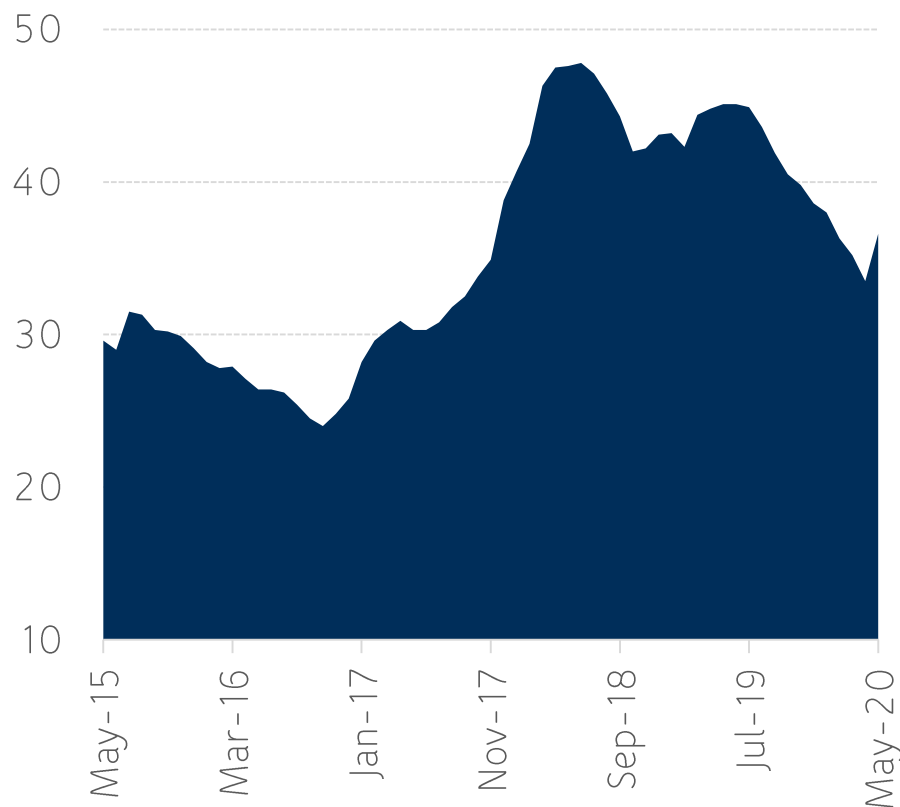
Food price inflation:
15.03% y/y to **15.04%**

Core measure:
9.98% y/y to **10.12%**

Sources: National Bureau of Statistics (NBS); FBNQuest Capital Research

Reserves

Official reserves (gross; 30-day moving averages; US\$ bn)



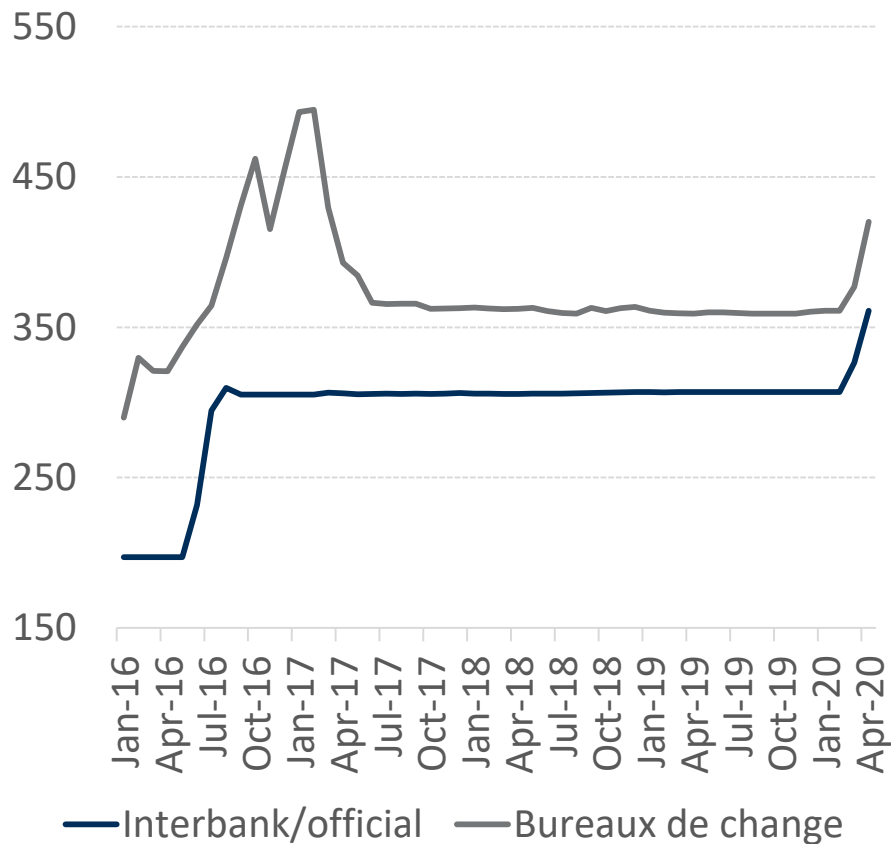
Steady depletion from June 2019 until April on exits by FPIs

Short respite in May on the loan disbursement by the IMF, others hopefully to follow

Current buffer against external shocks of 4.3 months' import cover including services

Exchange-rate policy

Average exchange rates (NGN per USD)



Change in direction in March/April 2017 forced by oil price fall and fx shortages

New fx windows, notably successful I & E window (NAFEX)

Fx adjustments of late March 2020

Sources: CBN; FBNQuest Capital Research

Central Economic Indicators (Our view)

| | 2018 | 2019 | 2020F | 2021F |
|--|-------------|-------------|--------------|--------------|
| Real growth (in per cent; %) | 1.9 | 2.3 | -3.1 | 2.2 |
| CPI (in per cent; y/y Dec) | 11.4 | 12.0 | 13.1 | 12.2 |
| Monetary policy rate (%; year-end) | 14.0 | 13.5 | 12.0 | 12.0 |
| Bonny Light (end-period spot; US\$/b) | 62 | 67 | 38 | 42 |
| Bonny Light (average spot; US\$/b) | 73 | 65 | 37 | 41 |
| Official fx reserves (in US\$ bn) | 43 | 39 | 29 | 30 |
| N/US\$ (NAFEX/I&E; end-period) | 364 | 365 | 410 | 440 |
| N/US\$ (NAFEX/I&E; average) | 362 | 362 | 389 | 430 |

Thoughts on way forward

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Thank you

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