GDP HIGHLIGHT Q3 | 2025

AIICO CAPITAL

Nigeria's Economy Expands by 3.98% in Q3-2025

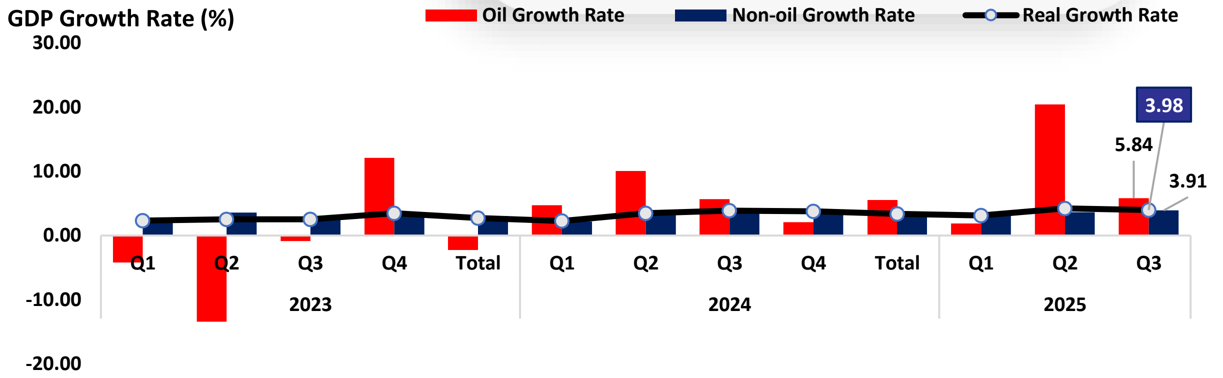
Nigeria's economy grew by 3.98%y/y in Q3 2025, higher than the 3.86% growth in Q3 2024 but lower than 4.23% in Q2 2025. Overall, the economy continued to show positive momentum, supported by solid performances across both the oil and non-oil sectors.

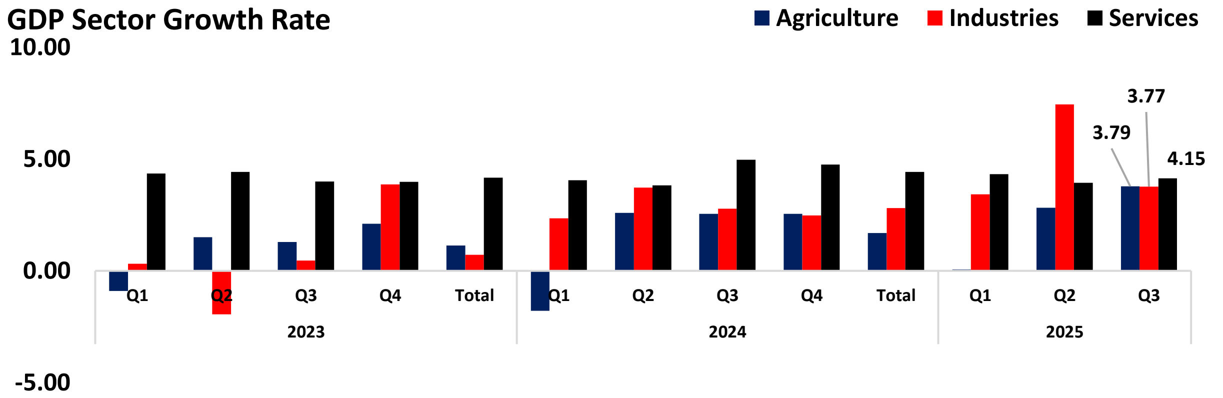
❖ Services Sector Reclaim Leading Driver

- The Service sector recorded the high growth rate compared to its peers to expand by 4.15%y/y in Q3 2025 and contributed 53.02% to GDP. This was supported by strong performances in Financial & Insurance (+19.63%) and Telecoms (+6.14%). The Agriculture sector grew by 3.79%y/y (vs. +2.82%y/y in Q2-2025), with its contribution improving to 31.21% from 26.17% in Q2 2025. This growth was attributed to expansion seen across the sub-components of the sector, such as Crop Production (+3.90%y/y vs +3.32%y/y in Q2), Forestry (+4.69%, vs 1.66%y/y Q2) and Livestock (+3.49% vs 1.64%y/y in Q2).
- The industries sector grew by 3.77%y/y, with its contribution to GDP declining to 15.77% from 17.31% in Q2-2025. Moderation in growth was largely supported by mild growth in Mining & Quarrying (+7.02%y/y vs +20.86% in Q2), despite +19.42 expansion in Oil Refining compared 15.78% in Q2-2025.

❖ Oil and Non-Oil Dynamics

- The Oil sector expanded by +5.84%y/y in Q2 2025, down from +20.46%y/y in Q2 2025 and 5.66%y/y in Q3 2024. The drop in performance followed a decrease in average daily crude oil production to 1.44 mbpd, compared to 1.48 mbpd in Q2 2025 and 1.33 mbpd in Q3 2024. The non-oil sector also maintained strong momentum, expanding by 3.91%y/y in Q3 2025, compared to 3.64% in Q2 2025 and 3.79% in Q3 2024.





❖ Outlook

- Building on the positive performance of both the oil and non-oil sectors and the support of ongoing policy reforms, Q4 2025 is projected to continue a growth path but at a moderate growth rate compared to 3.76% in Q4-2024. Still, achieving sustained expansion in the industries and service sectors will require enhanced infrastructure, greater investment inflows, and more rigorous fiscal management.