

Nigeria's Economy Expands by 3.89% in Q1-2026

Nigeria's economy grew by 3.89% y/y in Q1 2026, higher than the 3.13% growth recorded in Q1 2025 and 2.27% in Q1 2024. Thus, reflecting positive momentum in economic growth.

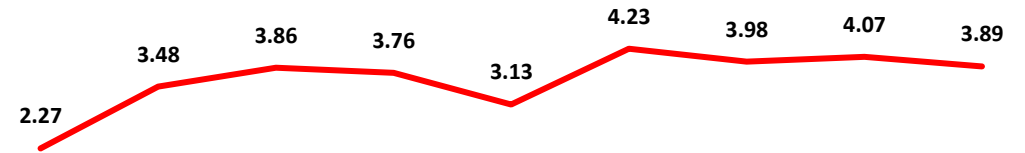
❖ Services Sector Remained the Leading Driver to GDP

- The Service sector recorded the highest growth rate compared to its peers to expand by 4.31% y/y in Q1 2026 (vs. 4.33% y/y in Q1'2025) and contributed (57.73%) to GDP. This was supported by growth in the Information & Communication sector (10.98%) alongside Finance & Insurance (8.54%).
- The Agriculture sector grew by 3.15% y/y (vs. 0.07% y/y in Q1'2025). As It contributed (23.16%) to real GDP. Growth was primarily driven by **Crop Production**, the largest sub-component, alongside positive contributions from **Livestock** and other areas. This recovery helped stabilize food production early in the year.
- The industries sector grew by 3.50% y/y, (slightly up from 3.42% in Q1'2025), contributing around 19.11% to real GDP. Performance was supported by **Construction** and **Manufacturing** particularly in **Cement and Food, Beverage & Tobacco**.

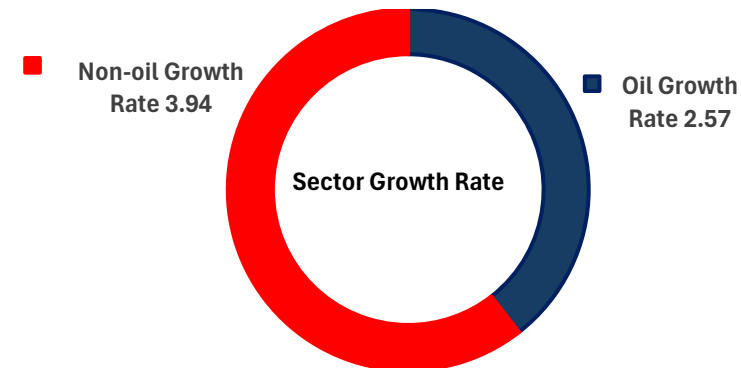
❖ Oil and Non-Oil Dynamics

- The Oil sector expanded by 2.57% y/y in Q1 2026, (vs. 1.87% y/y in Q1'2025). The expansion was attributable to the increase in oil price amid the geopolitical tension.
- The non-oil sector also mirrored the Oil sector, expanding by 3.94% y/y in Q1 2026 (vs. 3.19% y/y in Q1'2025)

GDP Growth Rate (%)



Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
2024				2025				2026



❖ Outlook

- We remain cautiously optimistic of positive growth in GDP for Q2 2026 on the back of global uncertainties amidst geopolitical tensions. As this could usher in Inflationary pressure resulting in divergence from an expansionary monetary policy to contractionary monetary policy. However, we expect to see some level of supportive fiscal policies to help serve as stabilizers thus supporting growth.