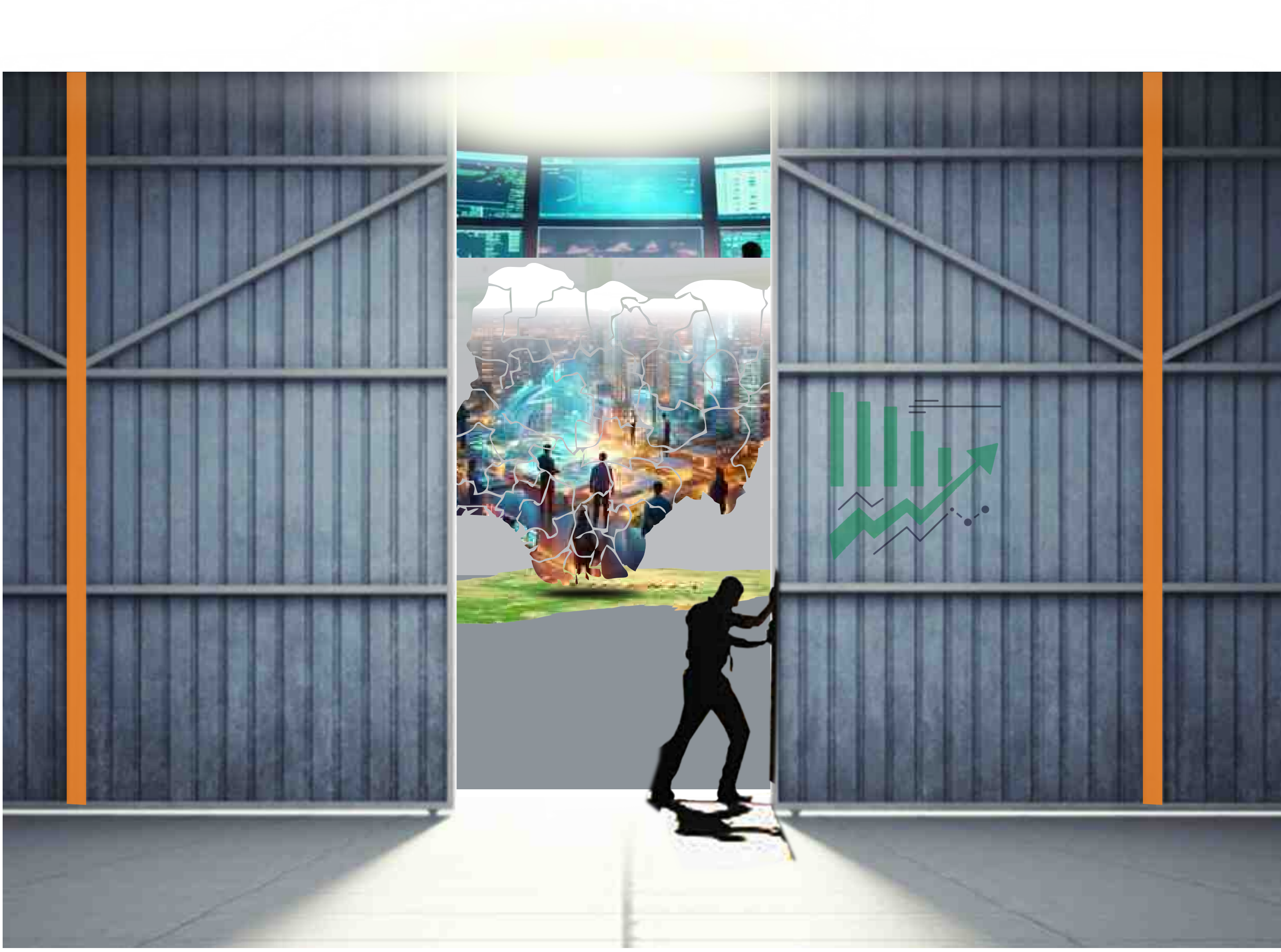
Economic Outlook Report 2025:

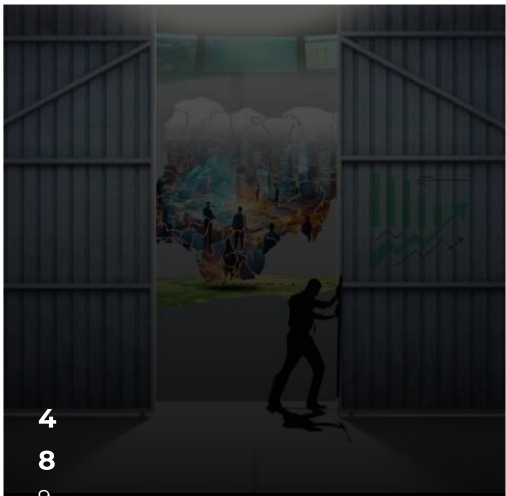
Unlocking Nigeria's Economic Prosperity.



December 2024

Proshare.

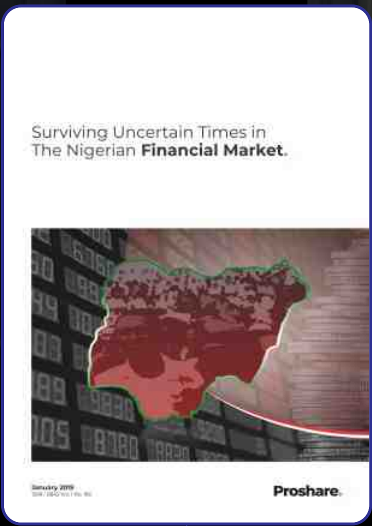
Content **Structure.**



Contents

Previous **Annual Nigerian Macro Economic Outlook** Reports.

1st Edition



2019

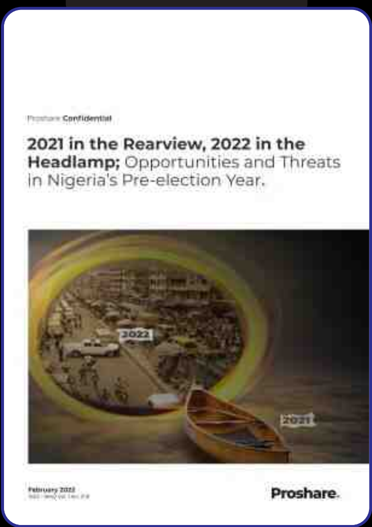
2nd Edition

2020

3rd Edition

2021

4th Edition

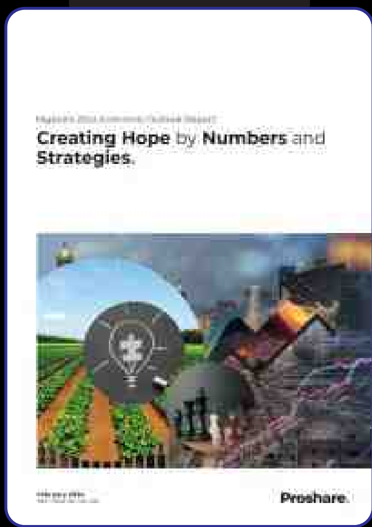


2022

5th Edition

2023

6th Edition



2025

Executive **Summary.**

Nigeria will experience tough times in 2025. The problem is not that the country has been starcrossed; the problem is that its economic structure and the government's policy sequencing have lacked alignment. The government has locked itself in a tunnel vision of income statement concerns, depriving it of the opportunities in the balance sheet or asset side of the nation's statement of financial position. The government's revenues will decline if average oil prices fall in 2025 (due to increased US oil output and slow global economic growth rates). Still, its costs will not fall proportionately, resulting in a larger budget deficit (or revenues falling behind costs). Consequently, the federal government would need more money to meet regular fiscal obligations. This would lead to an inevitable borrowing outcome.

Nigeria's debt situation has raised concerns among analysts about sustainability. As the federal debt rose to N64trn in 9M 2024 as against N35trn in 9M 2023, Nigeria's total debt stock has increased 84% year-on-year. The country's rising debt has seen higher interest rates as the fiscal authorities (Ministry of Finance) fund the government's operations through commercial borrowings. Proshare's report writers insist that debt cannot rise indefinitely, especially as Nigeria's credit rating (presently at Moody's Caa1) remains below investment grade (Baa3).

According to an in-house analyst, '*The domestic debt market has been a fireball of activities in 2024 with 26 federal government debt issuances (as against 28 in 2023) and coupon rates skirting around 22% for long-dated 7-year instruments. The country's GDP growth of 3.46% in November 2024 kicked up the federal government's rising spending (and its debt) despite a fall in consumption and a decline in real disposable incomes. We see treasury yields remaining high in 2025 because of the government's large spending appetite.*'

Apart from debt, Nigeria will continue to battle inflation, which was 33.88% in November 2024. The inflation flare will shine throughout 2025 as the CBN attempts to curb the rise in average domestic prices over the next twelve months. Inflation has been a prickly subject for most households as the cost of living has risen steadily, forcing families to trade down their consumption or eliminate certain line items from the shopping list. This has come with a few challenges that will persist in 2025.

As a Proshare Outlook 2025 project team member noted, '*The new year, 2025, will be a watershed year; it will be a year where the central bank will deploy all its anti-inflationary gunboats, but the inflation foe will end up bloodied yet unbowed.' She noted it will 'take more than higher interest rates to defeat the country's inflation monster amid relatively low foreign reserves.'*

Proshare's analysts equally noted that for the federal government to achieve its lower inflation rate target of 21% per annum, it must increase the nation's foreign reserve by an additional US$50bn to US$80bn, bringing total reserves to between US$90bn and US$120bn. Fiddling with upward monetary policy rates and squeezing banks' cash reserve ratios will merely choke off private-sector credit and pummel industrial growth. The Ministry of Trade and Investment must adopt a more proactive approach to expanding the country's non-oil exports by collaborating with other relevant ministries to bring about an **all-of-government** response to increasing net non-oil exports and improving foreign exchange inflows in 2025. Proshare's reclassified economies include the creative economy, the blue economy, the energy economy, and the digital economy. These economies are a closely Knitted set of economic activities that support sustainable growth. Releasing the collective impact of these optimised economies on the financial welfare of households is a critical part of the report.

To complement this, the report notes that the federal government would do well to prepare to sell down idle public sector assets to increase FX inflows, reduce loan dependency, and lower Nigeria's debt servicing ratio. Proshare analysts noted that '*the decagon of economic power requires the pulling together of policy actions across fourteen local economies/ministries to provide the springboard for non-inflationary growth. The Minister of Finance has his job cut out for him and needs to see beyond finance to broader macro and microeconomic performance templates.*'

For example, Nigeria has stumbled over a productivity conundrum. While the country's entertainment, telecommunications, and service sectors have shown signs of strong and sustained growth, the manufacturing sector has performed poorly. Indeed, the manufacturing sector's productivity gap is attributed to high import costs, high foreign exchange dependency, low domestication of heavy technology, and high local operating expenses. These issues, the analysts noted, require a whole-of-government approach to the country's real sector.

Unlocking the Economy

The analysts indicated that the Nigerian economy could be rearranged and reimagined. They believed that the rebasing of the economy in 2025 would result in a gross domestic product (GDP) rise of between US$650bn and US$780bn, closing the gap to achieving a US$1trn economy by 2030. They equally argue that a lot hangs on shifting the federal government's approach to economic management from an Income-centric approach to an Asset-centric one.

The in-house economists argued that repeating the same thing over again is a definition of either madness (in the words of Albert Einstein) or stupidity (in the words of Carlos Chippola). Since the federal government is neither insane nor foolish, a new approach to fiscal management is in order. The report writers suggested that the federal government should take seriously the proposal to sell down assets to foreign investors ready to bring in foreign currency and support with technical expertise and training of local talent. This model has worked in what the writers described as Nigeria's digital economy.

The market-creating success of Nigeria's digital economy was brilliantly captured in the late Professor Clayton Christensen, Efosa Ojomu, and Karen Dillion's best-selling book, The Prosperity Paradox. One of the book's lessons is that the government can support market-creating opportunities for industrial growth by fostering innovation in partnership with the private sector. Proshare's writers called for the government to tease out the benefits of the 'securitisation' and 'financialisation' of idle public assets.

They add that the government must do this with **credibility, integrity**, and **accountability** to close the public trust deficit. They observed that resistance to the recommendation would likely come from those who fear the challenge of 'state capture', involving high-ranking public officers buying or leasing public assets cheaply using state financial resources for personal gain. The example of the listing of Saudia Arabia's state-owned oil company, Saudi Aramco, on America's New York Stock

Exchange (NYSE) with a recent market valuation of US$1.84trn as of December 11, 2024, is a case in point. Furthermore:

Section 1 of the report considers the significant impact of geopolitical tensions. The analysts argue that 2025 will see a modest rise in global economic growth, but such growth depends on fragile political and geoeconomic developments with a change in global growth drivers. Europe will see modest inflation, requiring tightening monetary policy and restrain fiscal deficits. With a political shift to more conservative governments across Europe, analysts argue that the continent will see constrained growth in 2025 and rising tension in European labour markets. China and other Asian economies may see strong growth but at a slower pace than the recent ten-year historical average. With President Donald Trump to be sworn in in January 2025, the incoming President's election statements suggest higher tariffs, lower corporate taxes, and curtailing fiscal spending. America will see modest growth in 2025, but much of it will depend on countervailing trade policies in Asian economies. Growth in mainland China has slowed in the last twenty years from 14% in 2006 to slightly over 4% in 2024. Broadly, upside economic surprises have faded modestly.

Section 2 underscores **shifts** in the tone of Africa's economic outlook. The report argued that the outlook for Africa is mixed, with East African economies showing strong growth promises and economies in Southern Africa showing dimmer growth prospects in 2025. West African economies will also appear to be in a growth rut, with both Ghana and Nigeria battling with domestic inflation and tightening monetary screws. North African economies are battling mixed outcomes, with Egypt showing modest growth. The report states, '*We believe there will be mixed outcomes for the African economy in 2025. GDP growth will improve, buoyed by strong economic prospects in Eastern and Central African states. However, inflationary pressures will likely persist due to significant currency risks and most African states' heavy import dependence.*'

Section 3 is central to considerations on unlocking Nigeria's growth potential. The report establishes the baseline data for the economy. It makes strong statements on the key drivers of the various economic sectors and reviews their impacts on the medium-to-long-term prospects of the economy. It presents an economic dashboard highlighting where the country is presently and gives insights into where it will be in 2025. The baseline data provides clarity amidst the noise of analytical speculation and misinterpretation.

The report states, '*Reliance on higher debt in 2024 may connote a deterioration in public finances, limited economic productivity, and exposing Nigeria's vulnerability to fiscal shocks. Higher debt, slower growth, and larger deficits remained a growing risk to the CBN's price stability goal. Converse to outcomes of productive economies, rising debt levels tend to come with higher per-capital income levels; however, the IMF reveals that Nigeria's per income per capital fell to US$877.07 in 2024 from $1,637.47 in 2023, despite its ballooning public debt.*'

The section also notes that all too often, in conversations about the Nigerian economy, the subnational economies (the states and local governments) are considered subordinate to national considerations. The report states that this is wrong and that the State and local governments are potent drivers of national growth and the closest levels of government to economic agents and households. Proshare economists argue that the household is the definitive unit of economic activity. In this sense, the federal government's policies should be sensitive to the impact they have on households. The weak recognition of the consequences of government policies on the economy's primary unit has created a widening trust deficit between citizens and administrators/politicians.

This trust deficit has weakened policy credibility and fiscal and monetary action predictability.

Section 4 reviews the socioeconomic philosophy of public financial management. The report notes the need for the country to work out of imagination rather than memory. The country's aspirations must be supported by big, hairy, and audacious goals (BHAG) that drive a national ethos of productivity, persistence, and imagination.

Section 5 considers a few important insights into the possibilities for the Nigerian economy in 2025. Economic analysts have argued that if the federal government adopts a balance sheet or asset-centric approach to fiscal management, it could overcome the constraints imposed by the income-centric orthodoxy that emphasises raising taxes or widening the domestic tax base. This means that the government should sell down or lease its idle public assets rather than raise tax revenue from an income-challenged economy. This would mean the

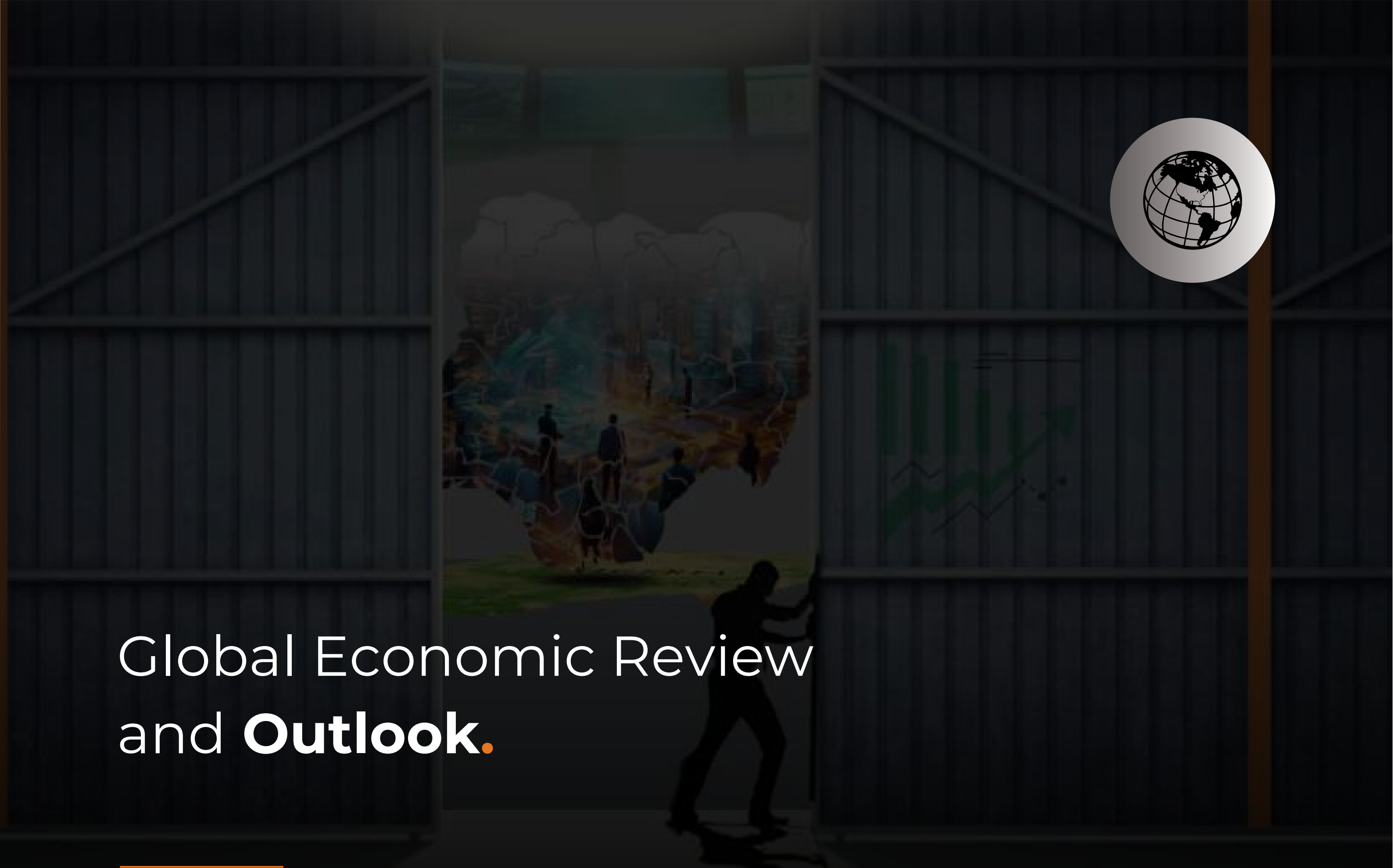
Proshare analysts called for adopting the ***securitisation*** and ***financialisation*** of idle public assets to release underlying economic value. The analysts argued that idle public assets could generate cash flows that would reduce the need for public debt issuances. For example, military barracks in prime land locations across the federation hinder the alternative use of such land; the same could be said of the Nigerian Customs Service and the Nigerian Police. Long-term lease or sale arrangements would support the increase of the country's foreign reserve and provide a market-determined valuation of public assets which could be traded on a formal equity exchange. If this is done in the first half of 2025, the government will find it easier to reduce high domestic inflation rates and strengthen the value of the naira in the foreign exchange (FX) market.

The analysts contended that Nigeria was like a man with cash flow constraints, barely able to feed himself while holding onto his Five Bentleys, four Ferrars, six Mercedez Benzes, and a Chevrolet coupe. Taking pride in the cars at the expense of his mortal survival pays homage to **Cippola's law**.

The analysts point out that the Taiwo Oyedele-led Presidential Committee on Fiscal Policy and Tax Reforms may not significantly affect the resolution of Nigeria's macroeconomic challenges. The Oyedele Committee still operates from an income-centric attitude to governance. This approach does not address the possibility of using idle public assets to generate larger FX inflows. Besides, the tax reforms have not boldly used tax as an incentive tool for encouraging productivity and output. The tone of the reforms largely reflects a ***tax-and-spend*** approach to fiscal policy management.

If the tax reform bill is to be useful for promoting economic growth, it must adopt a tax incentive attitude designed to share from the additional corporate and individual incomes generated by revenue-supporting tax policies. In 2025, the focus should not be on decimating citizens' hard-fought-for incomes but on stimulating economic activities and sharing in the rewards of the co-creation process of growing GDP. To unlock Nigeria's economic prosperity, the strength of memory is of lesser importance than the sharpness of imagination.

Section 6 closes the report by aggregating the data, facts, and thoughts into actionable recommendations for all economic agents in Nigeria. It emphasizes the need for imaginative fiscal and monetary policies, better government coordination, and innovative solutions that transcend orthodox approaches. The analysts argue that with clear, agile, and integrated policy frameworks, Nigeria can chart a path to sustainable growth and transform into a competitive global economy by 2025 and beyond.



Global Economic Review and **Outlook.**

Economic Dashboard
Geopolitical and Geoeconomic Flashpoints in 2024
Liquidity Position and Flows
Assumptions and Outlooks on the Global Economy

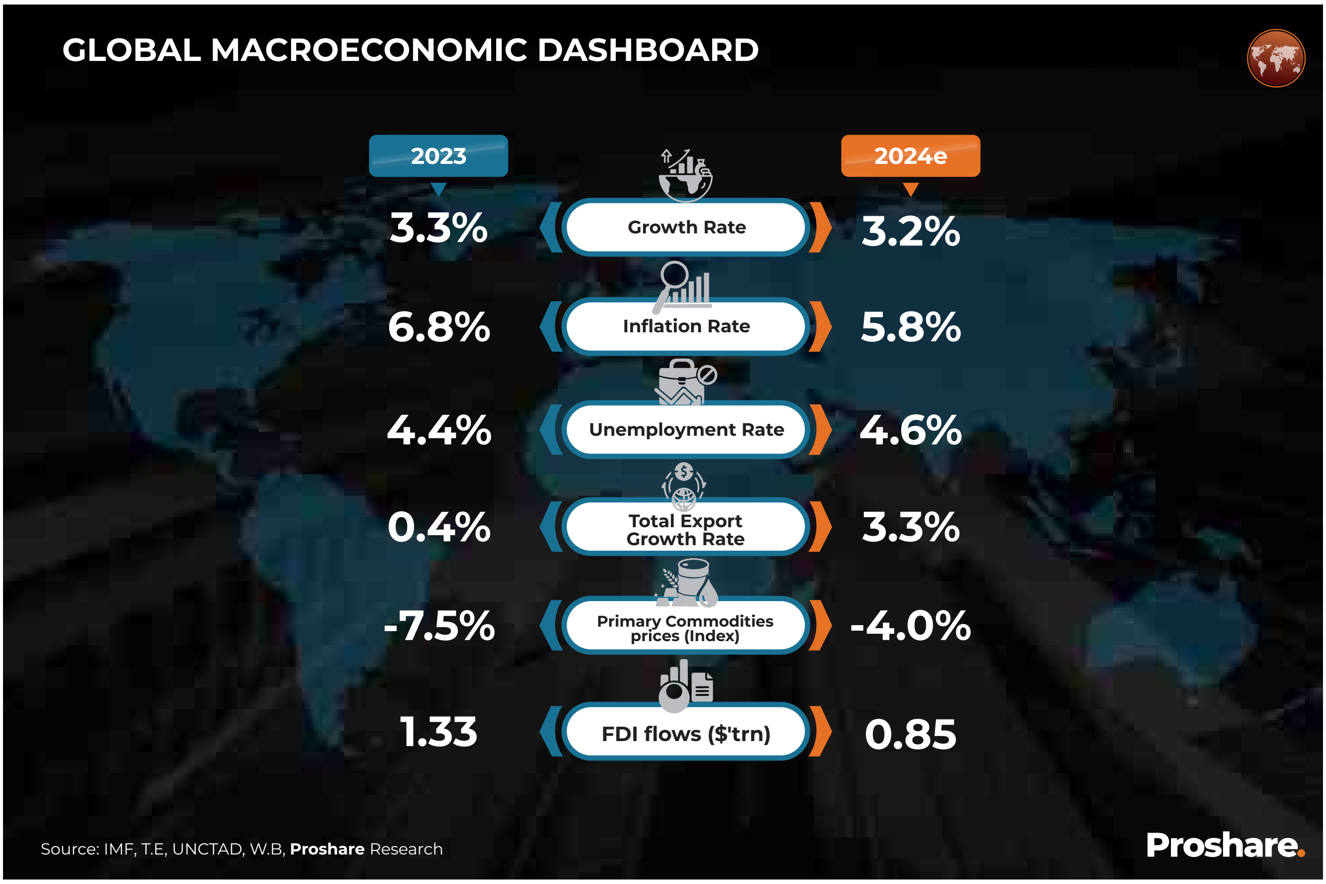
Global Economic **Review** and **Outlook.**

"Global alliances are now fragile –with self-interest rules and Trade as most important tools."
-TheAnalyst

Economic Dashboard

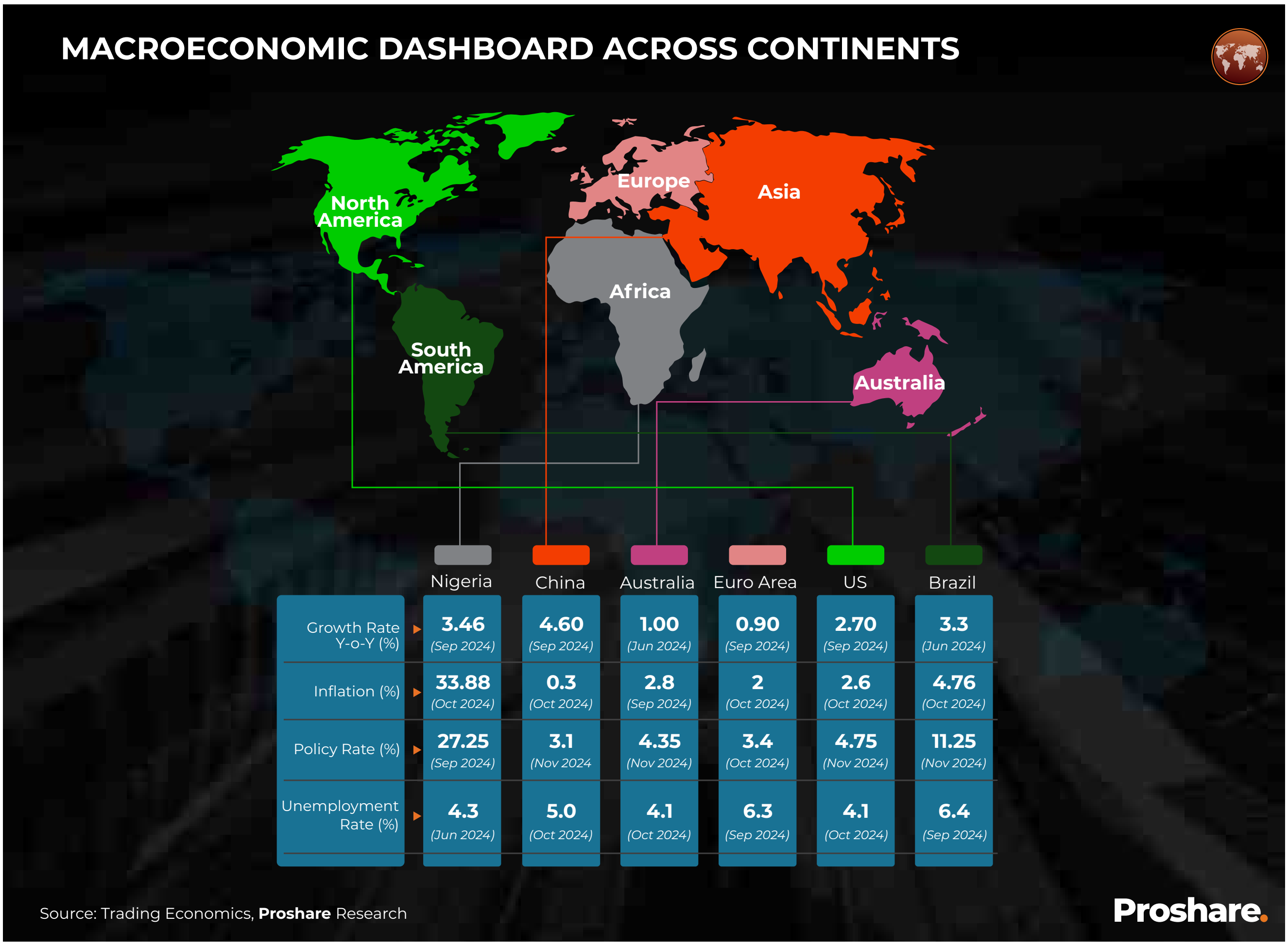
In 2024, the global economy showed a mixed sentiment, a play of both obstacles and prospects shaped by inflation adjustments, shifts in monetary and fiscal policies, and rising geopolitical tensions. As monetary policies tightened, growth forecasts were downgraded to 2.8% and 3.1%. Developed economies encountered a little challenge as they combated inflation to moderate it, cautiously using monetary policy instruments. However, it experienced moderate growth. Meanwhile, emerging markets outperformed expectations with solid growth. The global GDP declined as geopolitical tensions persisted, affecting investment flows, disrupting production and straining supply chains. The unemployment rate declined as major economies, such as the European Union and China, experienced growth and structural changes slowdowns- the increasing adoption of technology displacing unskilled workers. Global liquidity declined as geopolitical tensions created uncertainty for investors, high borrowing costs, and investors' incentives. However, global trade expanded, supported by technological production surge, consumer demands in advanced economies, and a stable supply chain after the pandemic hit (*see illustration 1*)

Illustration 1:



The performance of countries across continents in 2024 underscores disparities in the strengths and vulnerabilities of regions amidst global market disruptions. In Asia, China saw slower growth, with a GDP of 4.60% as of September 2024, lower than its 5% official target due to the complex international environment and ongoing adjustments to the domestic economic structure. In North America, the US saw a growth of 2.8% in the third quarter of 2024, driven by high consumer spending and moderation in interest rates, despite lower projections amid global disruptions. In Africa, Nigeria exceeded expectations with a growth rate of 3.46% in Q3 2024 on increased activities in the services sector, offering positive prospects for the 2025 outlook, though inflation remains elevated (*see illustration 2*)

Illustration 2:



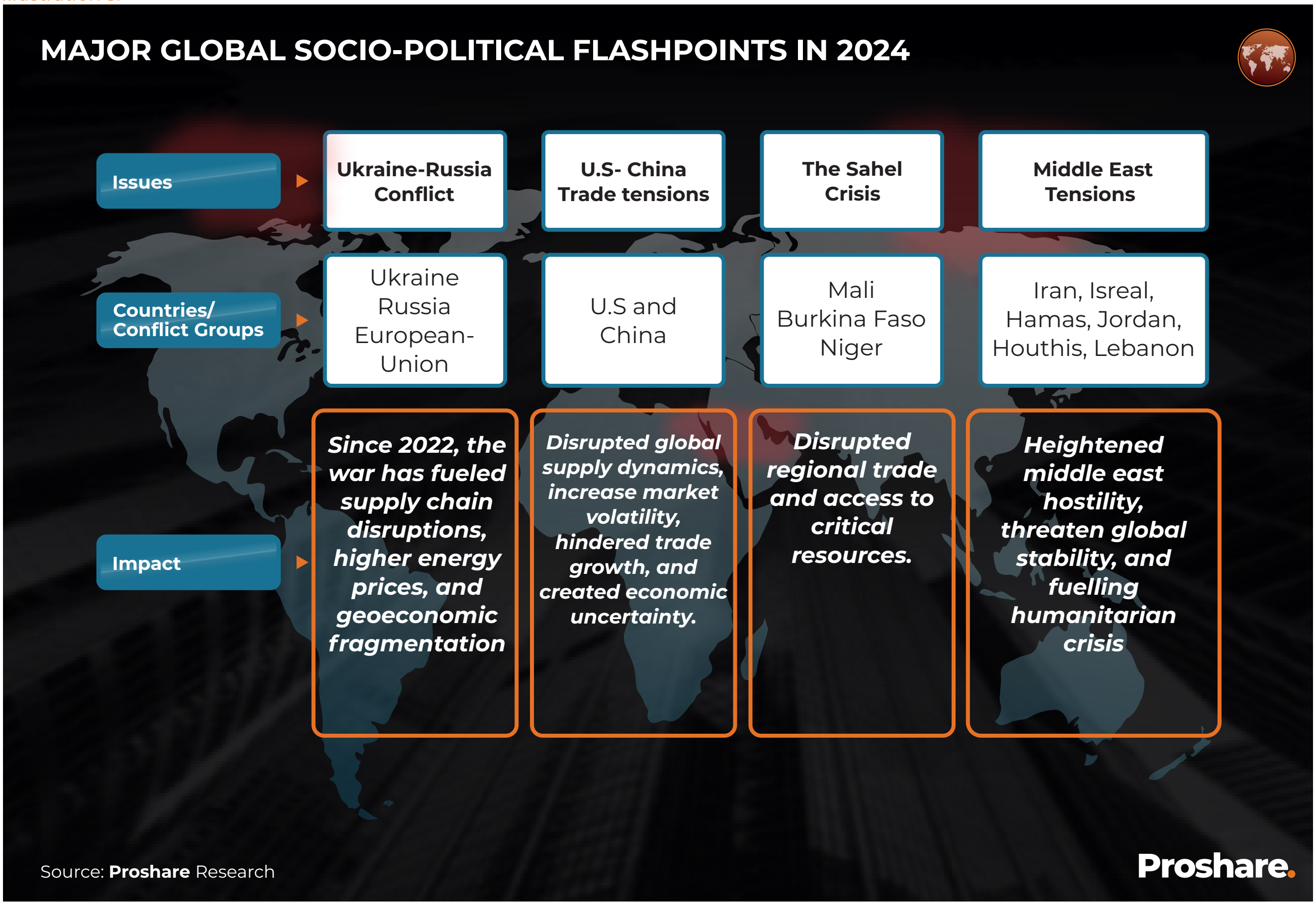
	Nigeria	China	Australia	Euro Area	US	Brazil
Growth Rate Y-o-Y (%)	3.46 (Sep 2024)	4.60 (Sep 2024)	1.00 (Jun 2024)	0.90 (Sep 2024)	2.70 (Sep 2024)	3.3 (Jun 2024)
Inflation (%)	33.88 (Oct 2024)	0.3 (Oct 2024)	2.8 (Sep 2024)	2 (Oct 2024)	2.6 (Oct 2024)	4.76 (Oct 2024)
Policy Rate (%)	27.25 (Sep 2024)	3.1 (Nov 2024	4.35 (Nov 2024)	3.4 (Oct 2024)	4.75 (Nov 2024)	11.25 (Nov 2024)
Unemployment Rate (%)	4.3 (Jun 2024)	5.0 (Oct 2024)	4.1 (Oct 2024)	6.3 (Sep 2024)	4.1 (Oct 2024)	6.4 (Sep 2024)

Source: Trading Economics, **Proshare** Research

Geoeconomic and Geopolitical Flashpoints in 2024

The fiscal year 2024 struggled with substantial disruptions due to escalating geopolitical tensions, which disrupted global trade flows, hindered investment, and hurt diplomatic relations. These challenges intensified inflation, strained supply chains, and weakened growth prospects across most economies, especially in advanced economies, and created a mounting debt problem for developing and frontier economies. Key amidst the geopolitics of 2024 are the lingering Russia-Ukraine war, US-China trade tensions, the Middle East crisis, and the Sahel Crisis, which had diverse impacts on the regions and the global economy at large (*see illustration 3*)

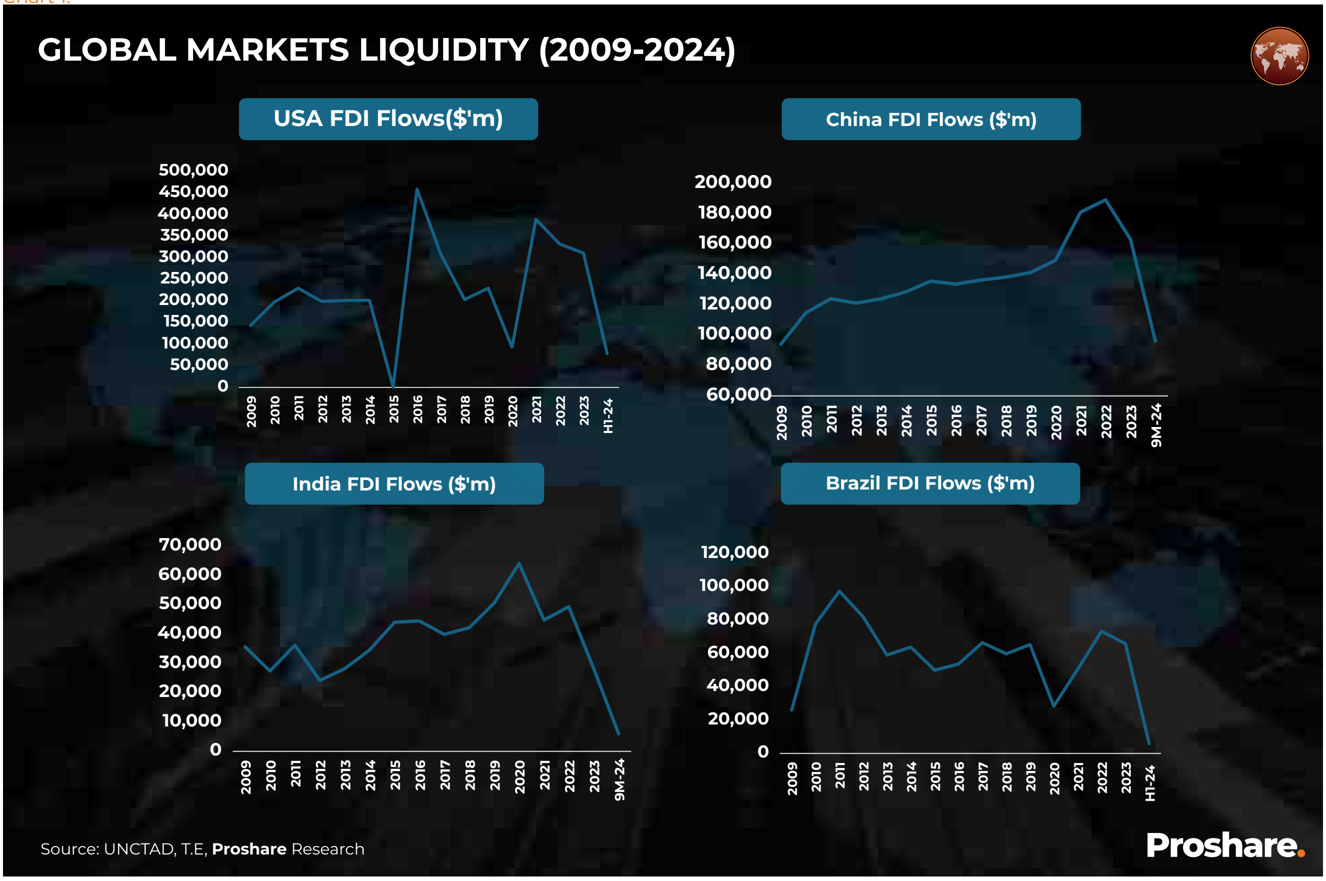
Illustration 3:



Liquidity Positions and Flows

Global foreign direct investment (FDI) flows, which declined 2% to US$1.33trn in 2023 from US$1.36trn in 2022, hit US$802bn in H1 2024, driven by investment inflow to OECD countries and increased cross-border mergers and acquisitions. According to OECD estimates, the increase was concentrated in the first quarter of the year, where it more than doubled, while inflows dropped by 36% in the second quarter of 2024 due to high financing costs and lingering inflationary pressures. The United States led FDI inflows in 2024, benefiting from higher reinvested earnings and movements in intra-company loans. China's FDI inflow maintained its downtrend in 2024 as geopolitical risk and economic policy uncertainty impacted foreign investors' confidence (*see chart 1*).

Chart 1:



Assumptions and Outlooks on the Global Economy

Consistent with the stances of analysts globally, we are optimistic about global growth, expecting sustained growth, lower unemployment, and lower inflation, but we doubt the viability of trade and investment flows as President Trump's return to the White House could disrupt trade and investment flows in the second half of 2025 if tariffs hikes are implemented against trading allies (*see table 1*)

Table 1:

GLOBAL KEY ASSUMPTIONS FOR 2025

Indicators	Assumption	Drivers
GDP Growth		Technology growth, increase consumer spending, and service sector growth.
Inflation		Energy prices, weather conditions, geopolitical tensions, monetary policies.
Interest rate		Persistent inflationary pressure and tighter labour market.
Trade		Global tensions, supply chain instabilities, Trump policies.
Unemployment		Economic growth, geopolitical stability, government policies, expansion.
Foreign Direct Investment (FDI)		Geopolitics, higher interest rates, supply chain disruptions, protectionism.

Positive *Negative*

Source: **Proshare** Research

Proshare.

Analysts at international agencies/institutions have leveraged insights from the global macroeconomic conditions to forecast 2025 growth prospects, drawing on trends observed in 2024. The projections show a broad consensus on macroeconomic indicators, with global growth expected between 2.1% and 3.2% in 2025, inflation expected to hover around the current range, and monetary policy easing to continue. The outlooks, however, underscore cautious optimism as policymakers and markets navigate the challenges of deglobalisation and tariff wars (*see table 2*).

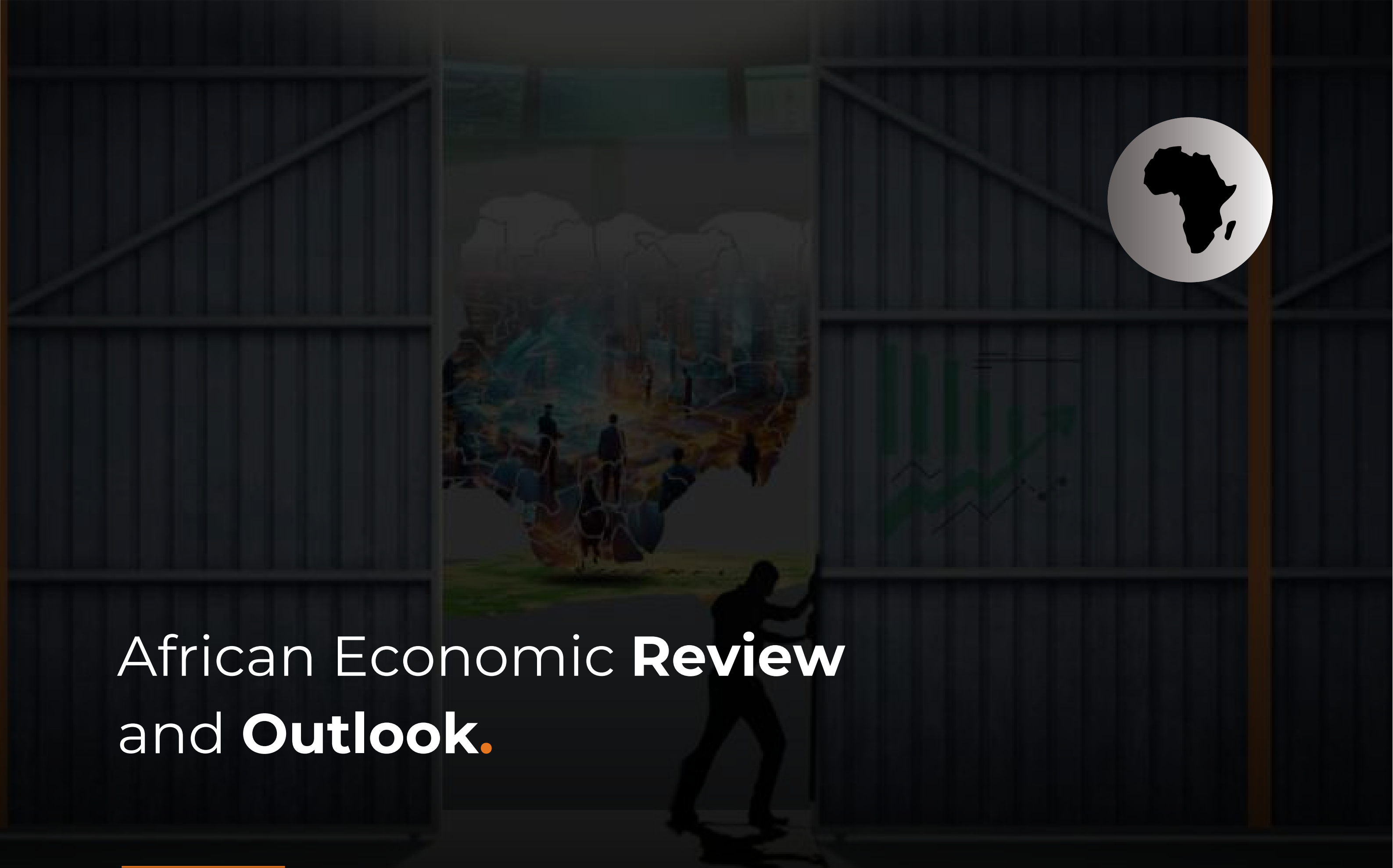
Table 2:

SNAPSHOT OF EXPECTATIONS FOR GLOBAL ECONOMY IN 2025

Analysts Outlook	GDP Growth	Inflation	Interest Rate
World Bank (WB)	2.70%	3.50%	Moderate
International Monetary Fund (IMF)	3.20%	4.50%	Low
J.P Morgan	2.10%	2.00%	Low
Morgan Stanley	3.00%	Remains steady	-
Goldman Sachs	2.70%	Low	Low

Source: Analyst Concensus, **Proshare** Research

Proshare.



African Economic **Review** and **Outlook.**

Economic Dashboard.
Geopolitical and Geoeconomic Flashpoints in 2024.
Liquidity Flows, Trade and Regional Blocs.
Populations and Economic Responses in Africa.
Assumptions and Outlooks on the African Economy.

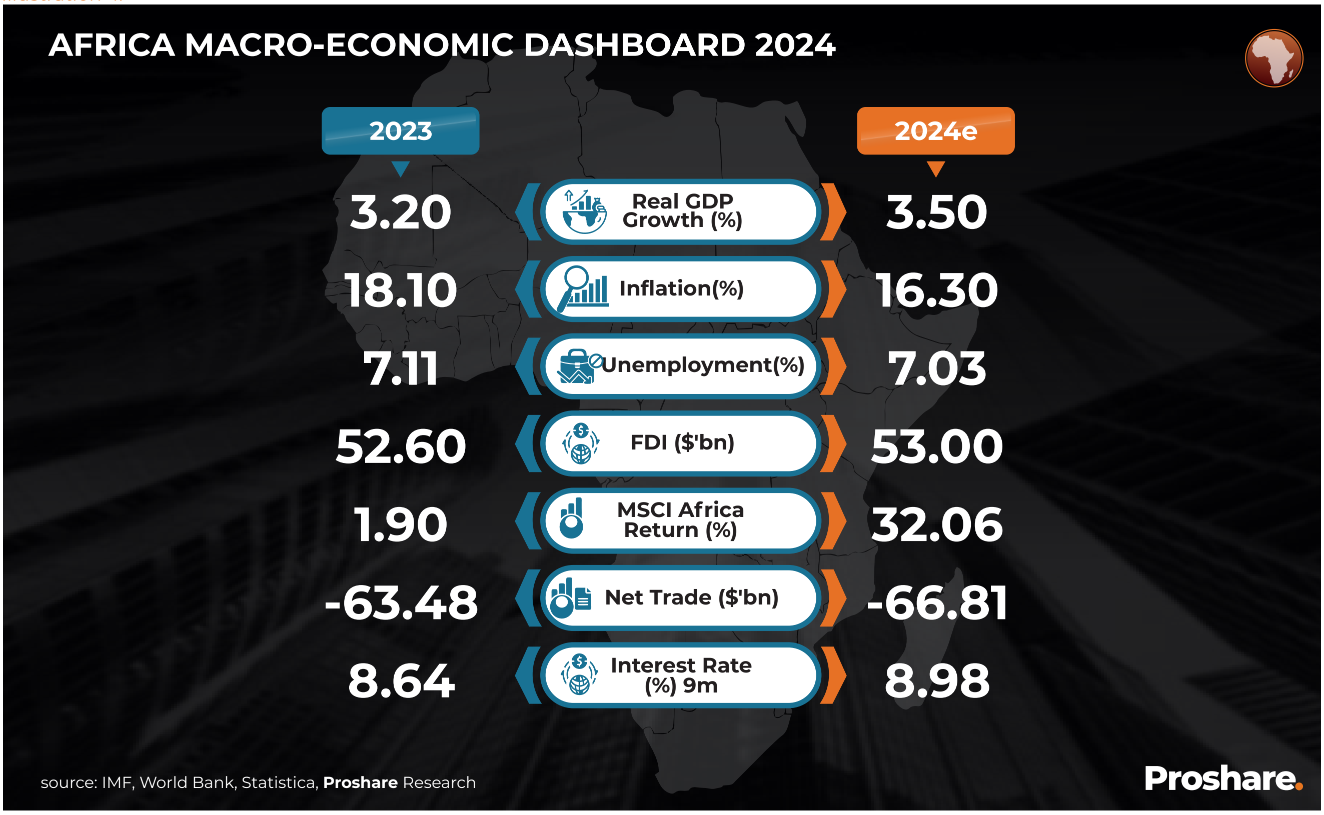
African Economic **Review** and **Outlook.**

"The African market is the prize in the quest for cheaper resources."
-TheAnalyst

Economic Dashboard

The African economy is estimated to grow by 3.5% in 2024 from 3.2% in 2023, driven by the availability of lower production resources relative to other continents, which has served as a basis for attracting foreign investors, lowering the unemployment rate, and boosting market indexes. To curtail inflation, some countries adopted monetary tightening, which has led to a rise in their interest rate while the inflation rate also remains elevated (*see illustration 4*).

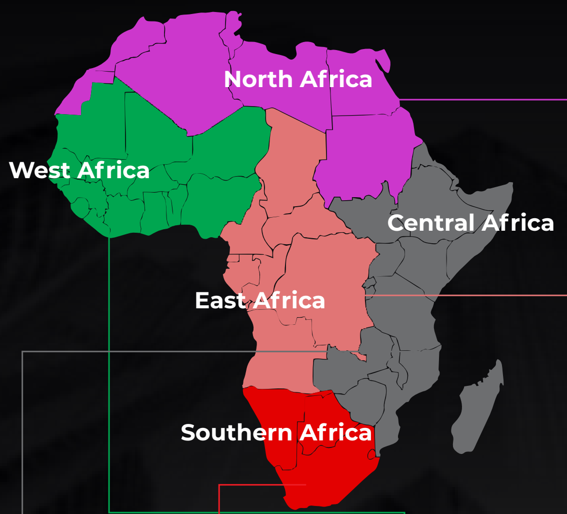
Illustration 4:



Eastern Africa is estimated to grow the most at 5.39% in 2024, driven by growth in Ethiopia, Tunisia, and Djibouti, while the unrest in Kenya drags its growth for the year and into 2025. Although the ongoing reforms in heavyweights like South Africa, Egypt, and Nigeria are unlikely to yield significant outcomes that will bolster the growth of their regions in 2024, they may begin to deliver growth prospects in 2025. Outside Nigeria, West Africa is expected to grow strongly on the back of strong growth in Niger, Senegal, and Cote d'Ivoire, among others, based on their strategic diversification drive to attract foreign direct investments (*see illustration 5*).

Illustration 5:

AFRICA REGIONAL ECONOMIC DASHBOARD 2024



	Central	Southern	Western	Northern	Eastern
Real GDP Growth (%)	1.40	1.10	3.57	2.90	5.39
Inflation (%) 9m	10.47	3.48	8.22	7.31	17.76
Interest Rate (%) 9m	9.00	6.29	10.84	8.67	10.12
Unemployment	6.30	28.64	4.53	11.15	4.74

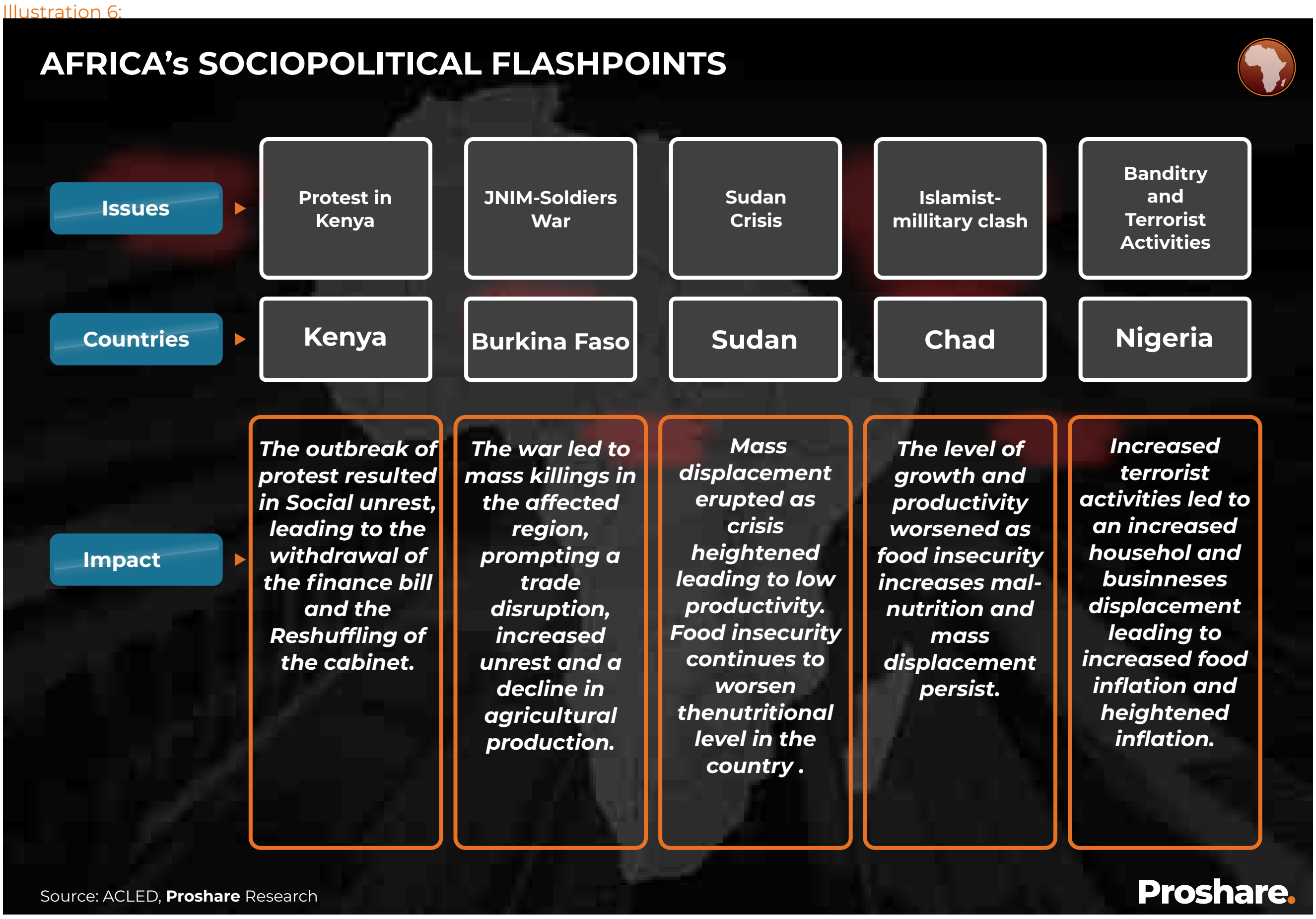
source: IMF, World Bank, Statistica, **Proshare** Research

Proshare.

Geoeconomic and Geopolitical Flashpoints

Socioeconomic activities across Africa faced significant setbacks in 2024, as escalating sociopolitical challenges heightened uncertainty and disrupted growth. Political tensions, electoral crises, energy crisis, and the persistent threat of terrorism undermined stability, while humanitarian emergencies and natural disasters compounded the strain on already fragile economies. Meanwhile, macroeconomic instability, characterised by soaring inflation, depreciating currencies, and rising public debt levels, exacerbated the continent's vulnerabilities, all of which triggered a widespread cost-of-living crisis, displaced businesses, eroded consumer confidence, and undermined investment flows (*see illustration 6*).

Illustration 6:



Liquidity Flows, Trade and Regional Blocs

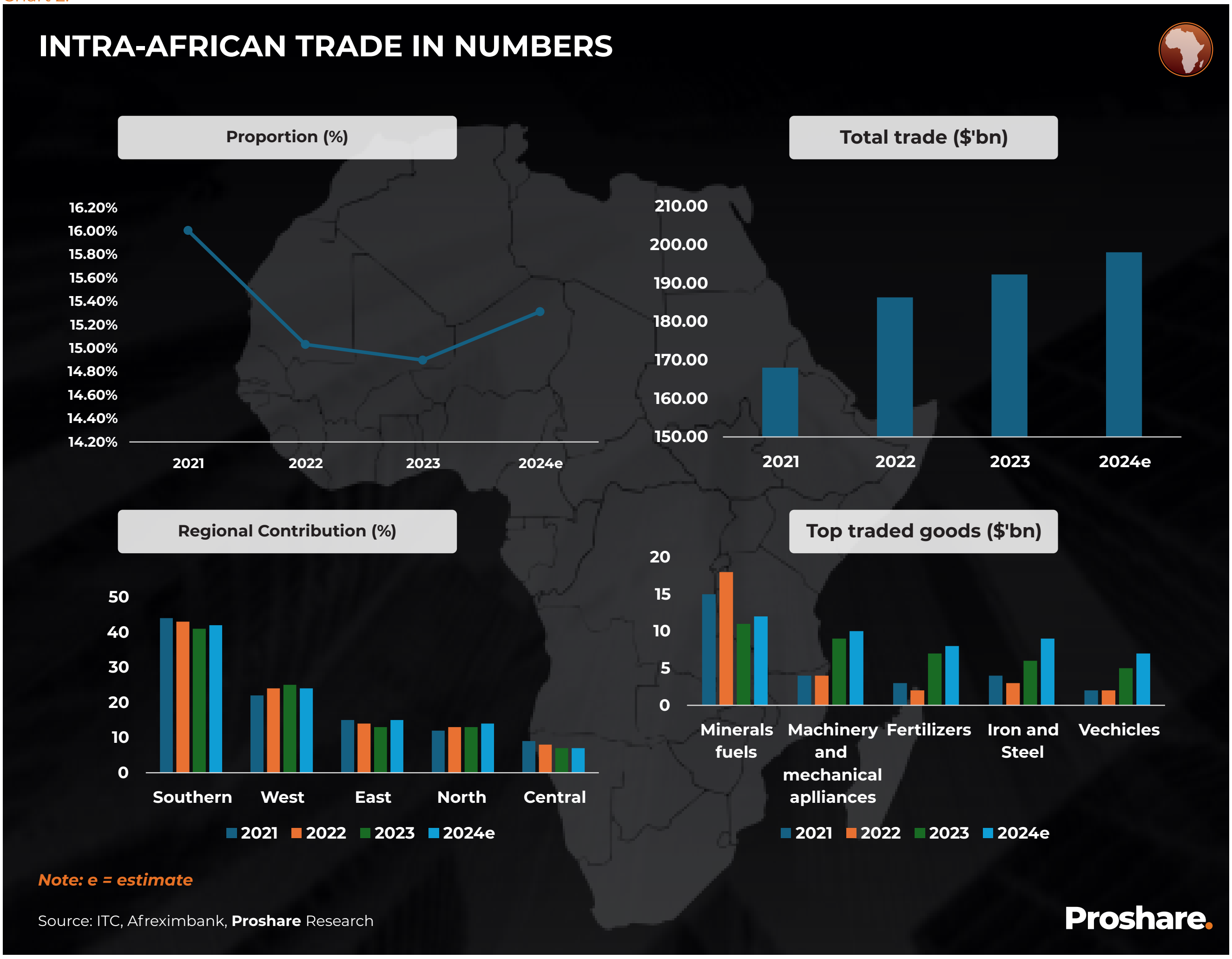
Trade

Trade between Africa and the globe has continually been impacted by global macroeconomic trends, such as the Russia-Ukraine War and the Israel-Hamas War, which disrupted global supply and contributed to inflationary pressure in Africa.

However, the launch of the AfCFTA's guided trade initiative, which kicked off trading under the AfCFTA, and the depreciation of local currencies in many African states supported an uptick in intra-African trade in 2024. We expect both factors to drive higher intra-African trade relations in 2025, with the advantages for each country dependent on preparedness for trade integration (*see chart 2*).

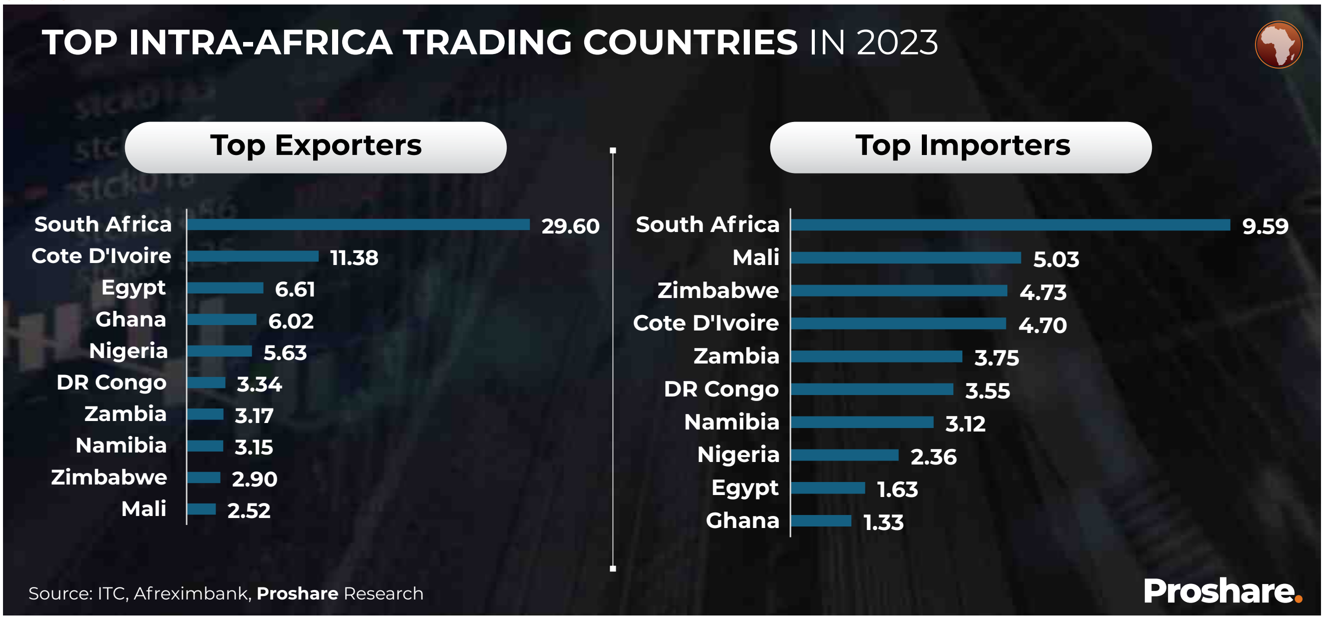
Chart **2:**

Chart 2:



South Africa, Côte d'Ivoire, Egypt, and Nigeria were the top contributors to intra-African trade. South Africa remains the dominant player in intra-African trade, accounting for almost one-third of intra-African exports and about 10% of imports, the highest in both. Côte d'Ivoire, which is also a net exporter and a net services importer to Africa, also account for a significant share of intra-African trade, exporting processed chocolate, coffee extracts, soap and cosmetics, in addition to primary products like cocoa, cashew, and gold (*see chart 3*).

Chart 3:



Regional Blocs

A combination of AfCFTA and alliances with global blocs shaped the trajectory of Africa's Regional Economic Communities (RECs) in 2024. Whereas the guided trade initiatives of the AfCFTA further boosted intra-regional trade relations, supporting the growth of some RECs, the shifting alliances with blocs such as BRICS are spurring new trade relations. Specifically, Alliance des États du Sahel (AES) alliances with BRICS should support the group's growth. Although resilient, existing RECs may continue to face multiple and overlapping shocks and wealth transitioning gaps in 2025 (*see table 3*).

Table 3:

AFRICA'S GEO-ECONOMIC DASHBOARD

	GDP Growth (%)	Inflation (%)	Interest Rate (%)	Population (% Share of Total Pop.)
AES	3.13	6.37	5.50	5.40%
ECOWAS	4.77	9.81	12.31	27.07%
SADC	3.17	24.20	11.33	27.78%
UMA	11.70	17.96	25.00	7.90%
ECCAS	2.04	10.80	7.80	16.34%
EAC	4.78	21.55	9.88	15.50%

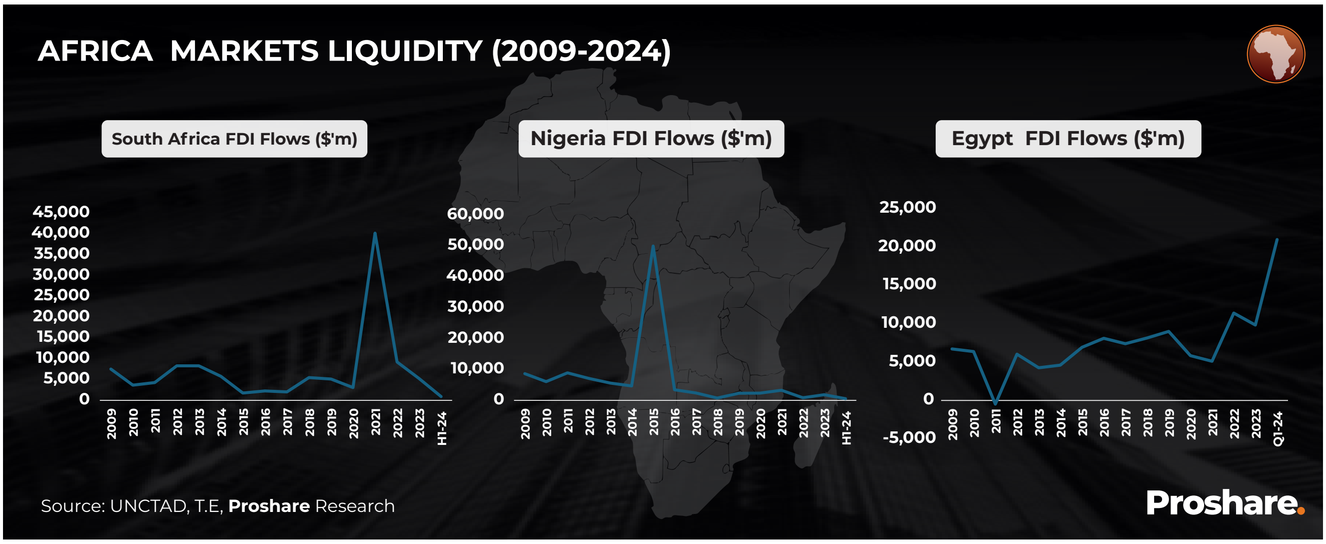
Source: FT, Trading Economics, **Proshare** Research

Liquidity Flows

Although still double-digit below the pre-pandemic level, FDI inflow to Africa, which stood at US$52.6bn in 2023, according to United Nations Trade Development (UNCTAD), is projected to settle at US$55bn in 2024 and US$60bn in 2025. Amidst the macroeconomic challenges across African states, the continent remains a leading investment destination for clean energy and top commodities.

Egypt and South Africa, the top investment destinations in Africa, followed a trend similar to global FDI flows in 2023 but somewhat exhibited strong growth in 2024. On the downside, sustained pockets of tensions and macroeconomic constraints have restrained FDI inflows and negatively influenced overall market dynamics (*see chart 4*).

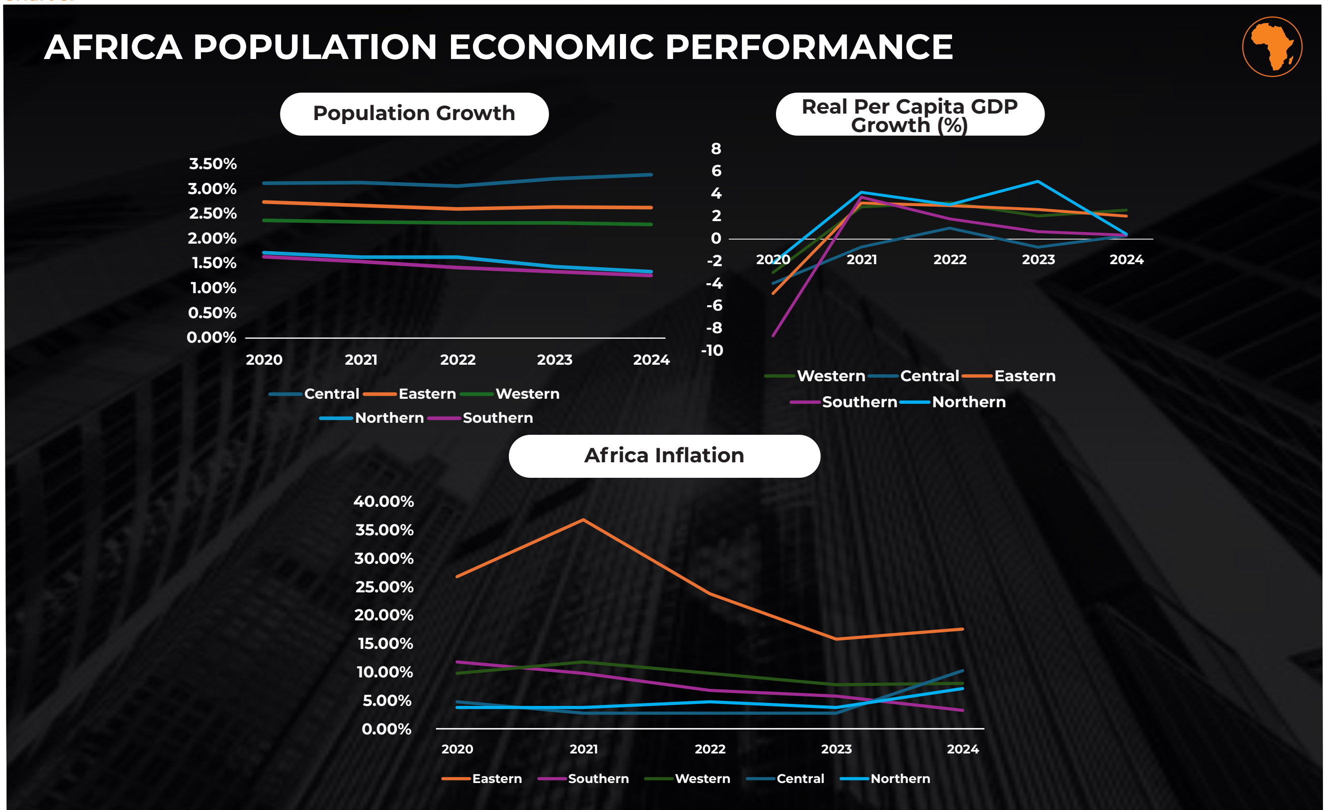
Table 4:



Population And Economic Response in Africa

The African Population in 2024 grew 3.3% to 1.53bn, ahead of the 2.34% growth recorded in 2023, with the highest growth from the Central African Region. However, this did not translate into strength as its per capita GDP fell least among others, underscoring low overall productivity. On the contrary, Eastern Africa has been able to harness the strength of its population, with its per capita floating high, though inflation remains a major concern (*see chart 5*).

Chart 5:



Source: IMF, Worldometer, Afrexim, Statista, Trading Economics, **Proshare** Research

Assumptions and Outlooks on the African Economy

Africa's GDP growth will improve in 2025, buoyed by strong economic prospects in Eastern and Central African states. However, inflationary pressures are likely to persist due to significant currency risks and the heavy import dependence of most African states. Trade has prospects, with the AfCFTA driving greater intra-African trade, although debt levels may worsen amid fiscal deficits and liquidity challenges in 2025 (*see table 4*)

Table 4:

KEY ASSUMPTIONS FOR THE AFRICAN ECONOMY

Indicators	Assumption	Drivers
GDP Growth		**High growth prospects from Eastern and Central African States.**
Inflation		**Prevalent currency risk and import reliance.**
Oil Price		**Increase supply from OPEC+ and US with China's low demand.**
Trade		**Improved intra-Africa trade on AfCFTA guided trade initiatives.**
Debt		**Deficit budgeting and liquidity constraints.**
Foreign Exchange		**Limited FPI inflows, trade in primary goods, and low FDI inflows.**
Politics		**Pre and post election crisis and undemocratic political ambitions.**

Positive *Negative*

Source: IMF, World Bank, AFDB, AFREXIM, **Proshare** Research

Proshare.

Africa's economic outlook for 2025 is promising, with the continent projected to grow by 4.4%, outpacing the global average of about 3% on increased trade and strategic investments in key sectors. Despite challenges such as political instability and climate change, countries like Niger, Senegal, Libya, Rwanda, and Cote d'Ivoire are expected to lead with impressive growth rates. Most projections placed Africa's growth in 2025 at about 4% and inflation rate to remain elevated (*see table 5*).

Table 5:

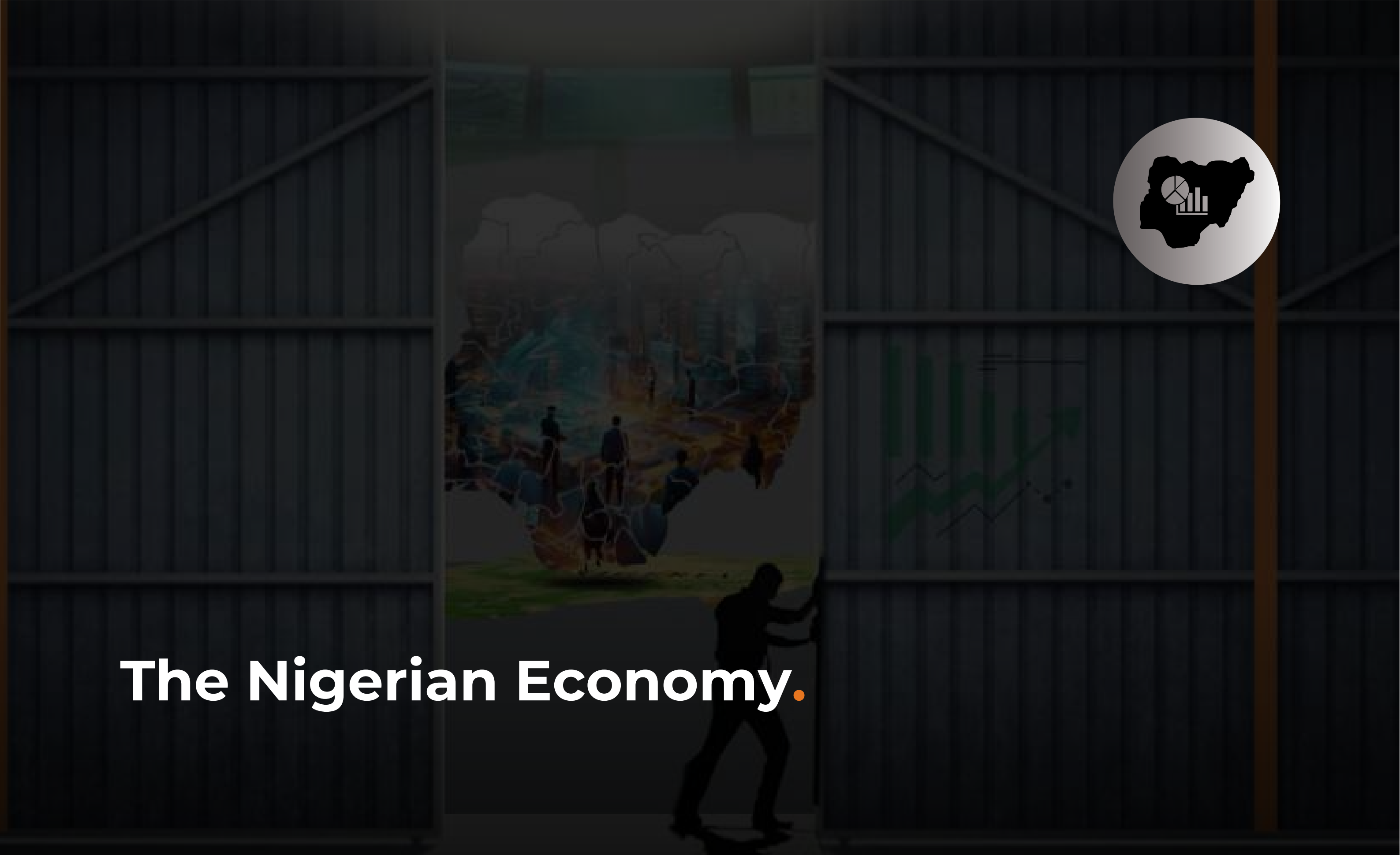
SNAPSHOT OF EXPECTATION FOR AFRICA IN 2025

Analysts Outlook	GDP Growth	Inflation
AfDB	4.3%	To heighten
World Bank*	4.0%	4.6%
AFREXIM	4.0%	Variations across regions
IMF*	4.2%	To remain high

** stands for* ***Sub-Saharan Africa***

Source: IMF, World Bank, AfDB, AFREXIM, **Proshare** Research

Proshare.



The Nigerian Economy.

Macroeconomic Dashboard.

Growth and Sectoral Contributions in Numbers.

Liquidity Flows: **Trade, and Capital Importation.**

Money and Capital Market Outlook.

NDPs, MTEF, and Budgets: **Sovereign Imperatives, Gaps, and Delinkages.**

Of Fiscal and Monetary Policy Sequencing.

Microeconomic Dashboard and Household as Common Denominator.

Sub-national: R**egional Economic Dashboard and Competitive Advantages.**

Assumptions and Outlooks on the Nigerian Economy.

African Economic **Review** and **Outlook.**

"All policy decisions are manifested on the microeconomic agents –households and SMEs."
-TheAnalyst

Macroeconomic Dashboard

The pursuit of stability and growth in the macro and microeconomic landscapes will shape the policies/programmes of many economies across the globe in 2024. In Nigeria, monetary policy was contractionary, resting on orthodox measures that distorted risks, while fiscal policies were expansionary, requiring measured review (*see table 6*).

Table 6:

NIGERIAN MACROECONOMIC DASHBOARD

	9M 2023	9M 2024	Change
GDP Growth (%)	2.45	3.20	30.61%
Headline Inflation (%)	23.31	32.76	40.56%
Food Inflation (%)	26.08	38.92	49.19%
Official Exchange Rate (N/$)	583.66	1,439.28	59.45%
Unemployment (%)	4.15	4.80	15.66%
Underemployment (%)	12.00	9.90	-17.50%
Monetary Policy Rate (%)	17.50	25.55	46.00%
Misery Index (%)	27.46	37.56	36.80%
PMI (Points)	50.50	46.90	-7.13%
Gross Reserves (US$'bn)	35.17	34.40	-2.19%
Credit to Private Sector (N'trn)	48.94	75.00	53.25%
Credit to Government (N'trn)	27.51	26.92	-2.14%

	9M 2023	9M 2024	Change
Crude Oil Production (mbpd)	1.45	1.52	4.83%
Crude Oil Quota (mbpd)	1.74	1.50	0.00%
Debt Market Size (N'trn)	35.81	64.87	81.15%
NGX Capitalisation (N'trn)	3.18	5.55	74.53%
Total Public Debt (N'trn)*	87.37	134.30	53.71%
Broad Money - M2 (N'trn)	59.18	99.99	68.96%
Narrow Mone - M1 (N'trn)	22.99	33.80	47.02%
Currency in Circulation (N'trn)	21.75	39.62	82.16%
Capital Importation (N'trn)	1.08	2.99	176.85%
Foreign Direct Investment ($'bn)	0.07	0.74	957.14%
Foreign Portfolio Investment ($'bn)	0.38	1.74	357.89%
Foreign Trade Balance (N'trn)*	0.08	6.07	7487.50%

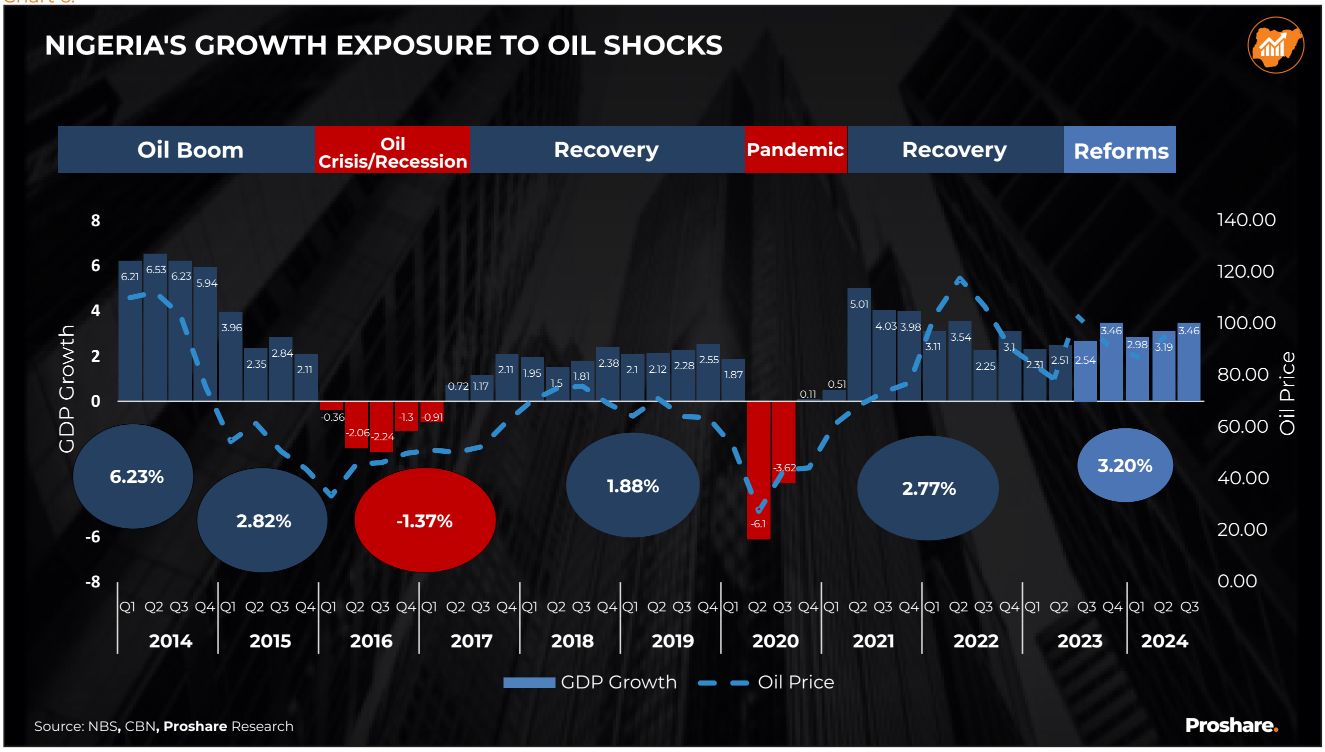
*As at H1 2023 and H1 2024

Source: **Proshare** Research

Proshare.

Nigeria's GDP growth has been largely responsive to oil price shocks, featuring oil boom, crisis/recession, pandemic, recovery, and reforms from 2014 to Q3 2024. NBS data reveals those periods of low oil prices, particularly during the 2016 recession and 2020 pandemic significantly constrained growth. However, recovery phases, supported by rising oil prices, tend to improve GDP figures. With recent reforms and steady oil prices in 2024, Nigeria's growth outlook for 2025 could hinge on strengthening the diversification of the economy with new growth areas, implementing growth-enhancing reforms, and unlocking prosperity across sectors to shield against future oil price volatility and external shocks (*see chart 6*).

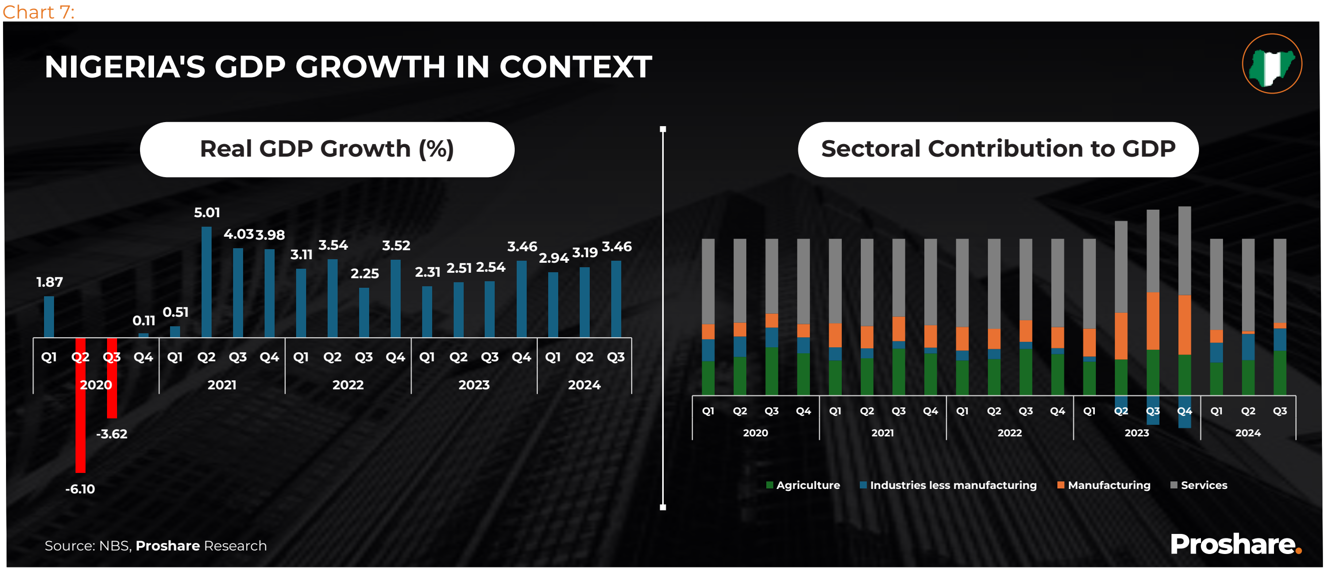
Chart 6:



Growth and Sectoral Contributions in Numbers

Driven by value-added contributions from the services and agricultural sectors, GDP growth averaged 3.20% in 9M 2024, above 2.54% in the corresponding period of 2023 and 2.71% for FY 2023. Nevertheless, complex macroeconomic realities were evident, as observed by analysts in the industrial and manufacturing sectors' value contributions to GDP (*see chart 7*).

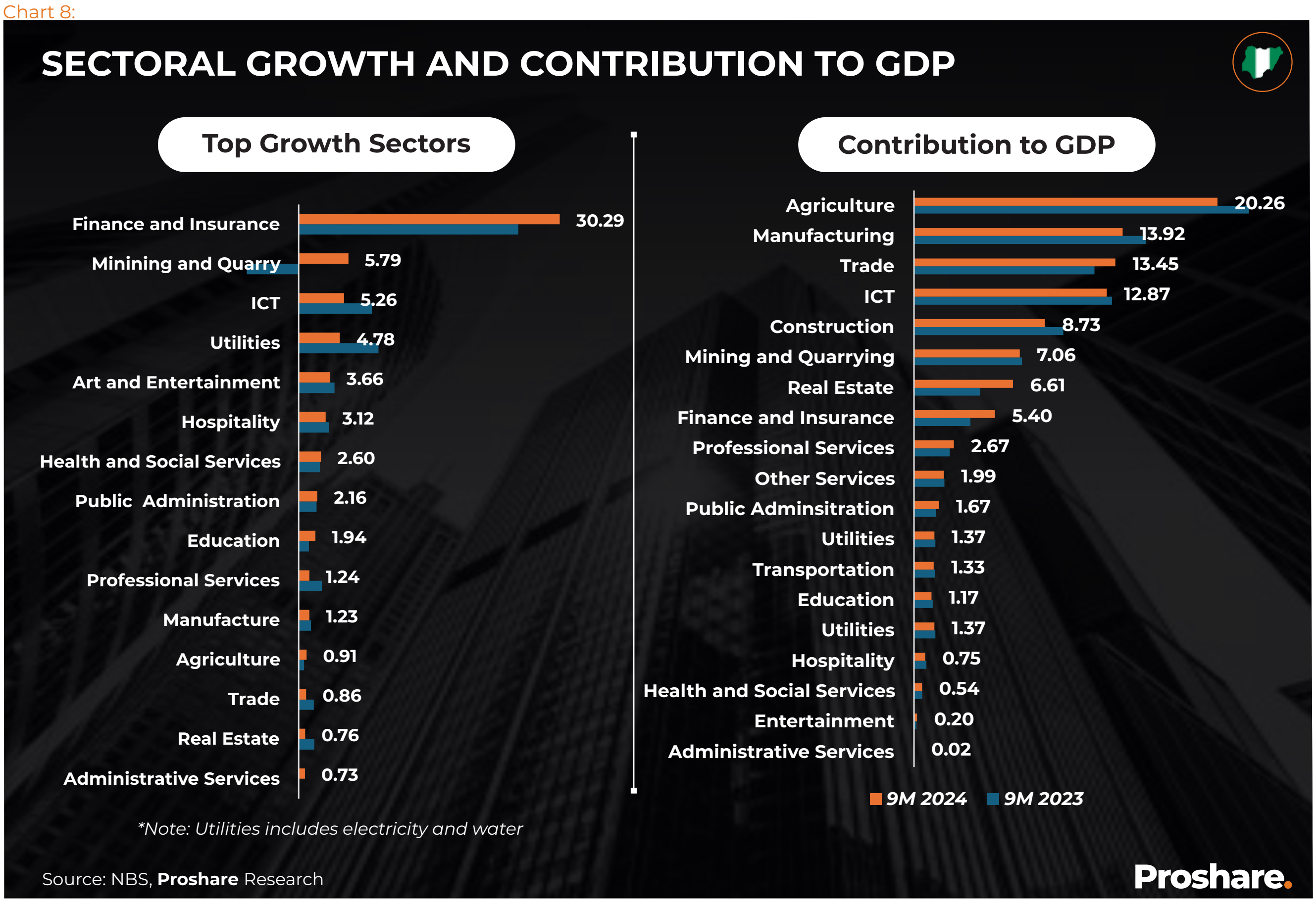
Chart 7:



Services from the finance and insurance, ICT, and entertainment sectors stood among the largest growth sectors in 9M 2024. Increased investment activities in the solid mineral and mining sector reversed the negative growth observed in 9M 2023. Proshare analysts believe that real output growth and performance across all sectors of the Nigerian economy in 2024 were hit by challenging macroeconomic, regulatory, and structural issues. Currency risks, high energy costs and elevated interest rates escalated operational costs and decreased capacity utilisation of Nigerian manufacturers by at least 56.40% in H1 2024, as reported by the Manufacturers Association of Nigeria (MAN).

Nonetheless, financial services, mining, and ICT were the top growth sectors in 2024, while agriculture, manufacturing, and trade dominate the top contributing sectors. Consistent with our outlook for 2024, increased activities in the solid mineral sector, which the current administration has fingered as one of its growth areas, should spur the mining sector's contribution to GDP in 2025, pitching it as one of the new growth areas (*see chart 8*).

Chart 8:



Nigeria continued to depend solely on oil exports as a major driver of exports, constituting over 70% of Nigeria's exports. However, the non-oil activities and sectors continued to make the largest contribution to the country's GDP growth in 2024 but below 30% contribution to total export trade. This trend will persist in 2025 as the economy remains less productive across non-oil export sectors.

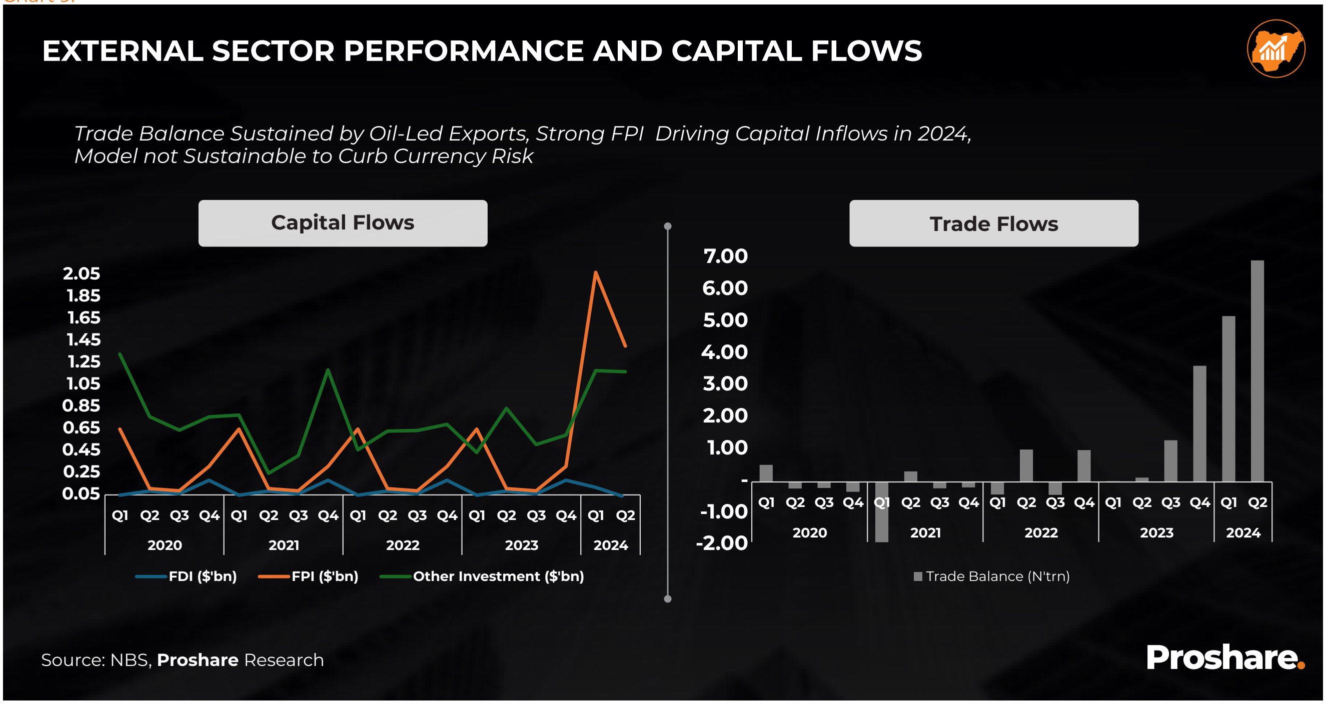
Liquidity Flows: Trade and Capital Importation

Nigeria's capital inflows in 2024 were driven by foreign portfolio investment (FPI) and other forms of capital, which were less sustainable in addressing liquidity risk, as seen in the FX volatility. FPI rose by 360.28% to $3.48bn in H1 2024 from $0.76bn in H1 2023, while FDI stood at $0.15bn from $0.13bn in H1 2023. According to an analyst, "*Nigeria has recorded enormous FDI commitments over the years;*

however, most of these commitments have not been realised." On whether Nigeria can do what it takes for commitments to be converted, the analyst added that "*transparency and conflict of interest must be checked for this to happen.*"

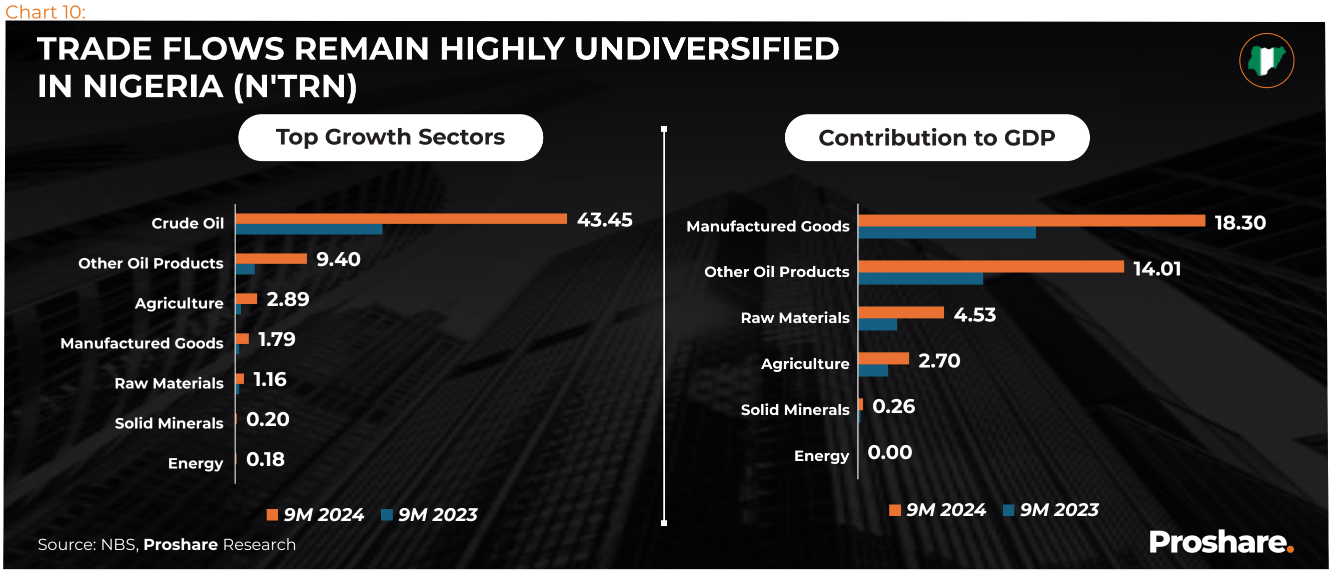
On the other hand, trade flows, which were in surplus as of 9M 2024, were driven by an increase in oil exports, currency devaluation, and increased trade volume. Analysts represent that a sustained trade surplus in 2025 will depend on improved productivity in oil and non-oil exports, activities around the AfCFTA, and export initiatives of the new trade ministry leadership (*see chart 9*).

Chart 9:



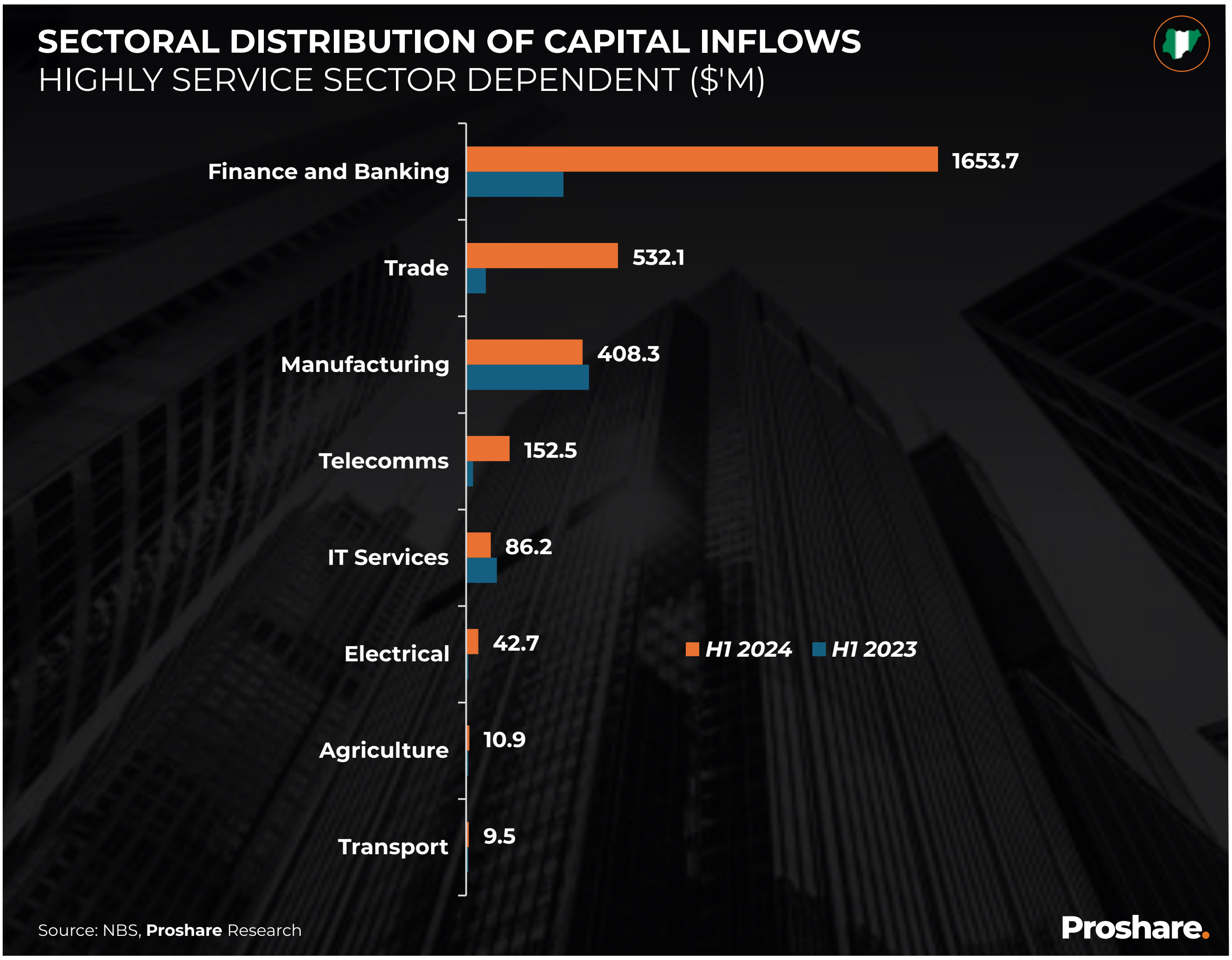
Nigeria has seen some level of diversification in GDP, but trade remained largely undiversified. This represents a key growth buffer in 2024 as strong oil-led export growth drove an eighth consecutive quarterly trade surplus in Q3 2024 (*see chart 10*).

Chart 10:



The financial services, trade, and telecommunications sectors emerged as the most attractive sectors for capital inflows in the first half of 2024. The information technology and manufacturing sectors while among the largest recipients of capital inflows recorded fall in the level of inflows relative to 9M 2024 performance (*see chart 11*).

Chart 11:



Money and Capital Market Outlook

The capital market does not operate in isolation. The macroeconomic environment influences investors' confidence and appetite in the financial market. Somehow, the Nigerian capital market has been able to outperform the macroeconomic headwinds, with higher domestic and foreign investor participation seen across markets in 2024. Regulatory changes expected positive outcomes from policy reforms, and new listings stimulated investors' appetite in the equities markets, while elevated stop rates offered at primary auctions stirred large subscriptions for fixed-income instruments. However, inflation expectations, negative real return, and liquidity constraints induced by tighter monetary conditions nudged yields upward in the secondary market (*see chart 12*).

Chart 12:

Nigeria's capital market still suffers from high transaction costs, information asymmetry, monetary tightening, low volume of trade, and wide bid-ask spread, which have stifled liquidity. These lingering factors, if not resolved, will continue to threaten the Nigerian capital market growth in 2025. However, analysts expect the recent stability in the exchange rate to slightly improve firms' bottom-line earnings, which should attract investors to the equities market. Federal government debt accumulation is expected to result in monetary tightening, negative real return, and rising inflation will sustain yield upticks in 2025 as investors bid for higher returns.

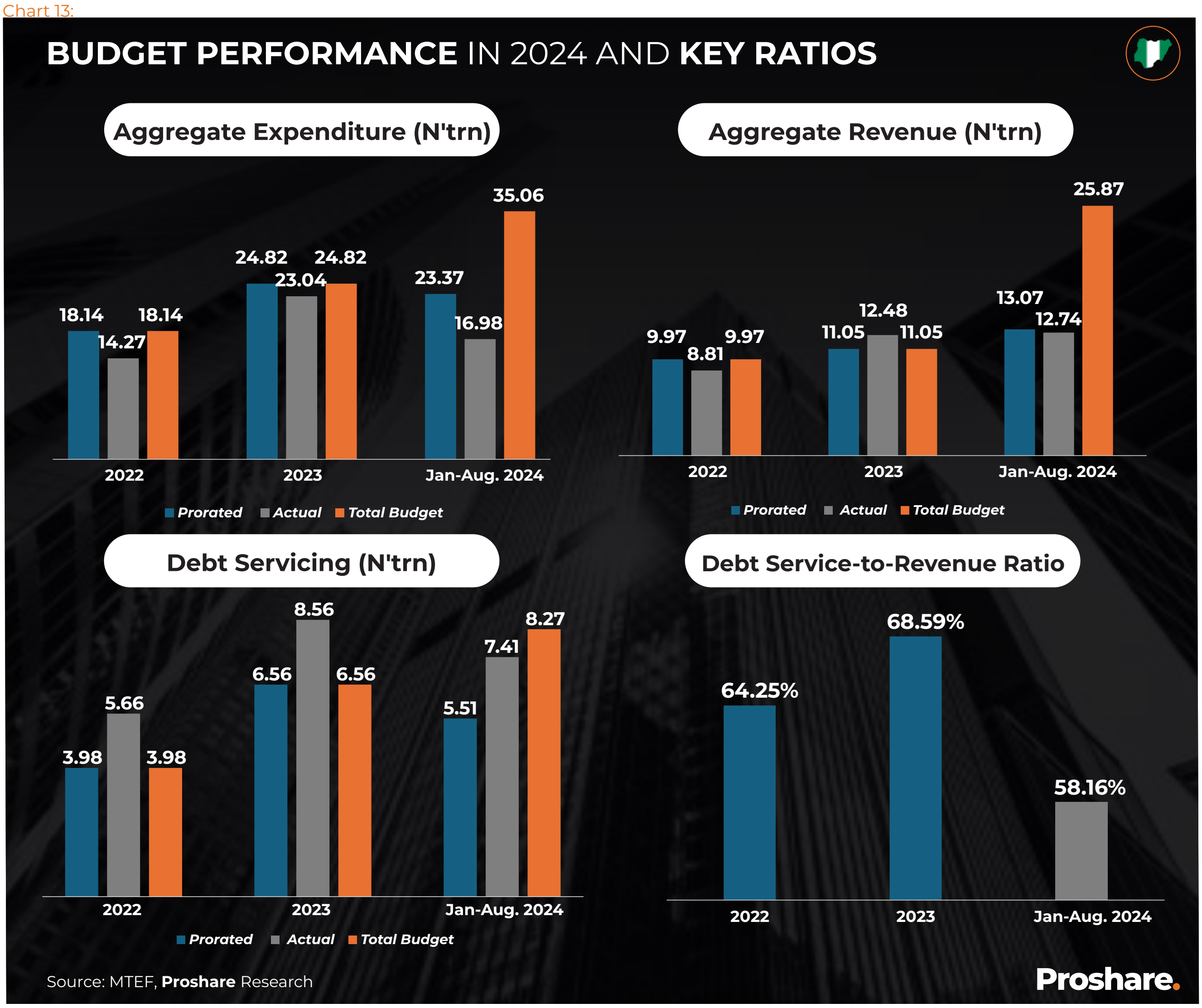
In 2025, the Nigerian capital market can leverage the listing of the country's assets to spur growth. The government's current model of securitising debts has significantly grown the debt market, creating a dominance that has resulted in firms crowding out. Analysts believe there is a need to explore the equity side by listing assets such as NNPC and others to unlock liquidity and stimulate domestic and foreign investors. **India's** National Infrastructure Pipeline leveraged its capital market to attract about US$500bn equity investments, stimulating significant growth and participation in its capital market.

NDPs, MTEF, and Budgets: Sovereign Imperatives, Gaps, and Delinkages

The Federal government's spending plan for 2024 was readjusted to accommodate a growth of N6.20trn, of which N3.2trn was reserved for capital projects while N3.00trn was allocated for recurrent obligations due to the upward adjustment of minimum wage. Additional revenue of N6.28trn for the 2024 budget was expected to come from other sources, including windfall tax on banks' FX revaluation gains.

The budget performance revealed that prorated (January-August 2024) revenue and expenditure targets were not attained, falling short by 2.5% and 27.4%, respectively. Key budgetary ratios show increased borrowing. This contradicts the administration's promises of adopting a conservative approach to borrowing and exploring alternative revenue sources. The debt-to-GDP ratio rose above the 40% threshold, while the debt service-to-revenue ratio dipped on improved revenue performance, outweighing the increase in debt profile (*see chart 13*).

Chart 13:



Reliance on higher debt in 2024 may connote a deterioration in public finances and limited economic productivity, exposing Nigeria's vulnerability to fiscal shocks. Higher debt, slower growth, and larger deficits remained a risk to the CBN's price stability goal. Converse to outcomes of productive economies, where rising debt levels tend to come with higher per-capital income levels, the IMF data shows that Nigeria's per capita income fell to US$877.07 in 2024 from $1,637.47 in 2023, despite a ballooning public debt profile.

A major weakness in Nigeria's policymaking lies in the misalignment between the assumptions underlying the Medium-Term Expenditure Framework (MTEF) and budget projections vis-à-vis the actual outcomes of those assumptions. Furthermore, another grey area is a divergence between the assumptions of the National Development Plan (NDP) and MTEF, compared to the assumptions of annual Appropriation Acts. Consequently, economic outcomes in 2024 have largely lagged behind the ambitious assumptions underpinning these frameworks (*see table 7*).

Table 7:

BUDGET ASSUMPTIONS: INTERROGATING BUDGET PARAMETERS, OUTCOMES AND GAPS

NDP

	2023P	2023A	2024P	2024A	2025P
GDP Growth	3.7	2.74	4.6	3.2	5.6
Inflation	14.9	24.52	13.7	32.88	11.8

MTEF

	2023P	2023A	2024P	2024A	2025P
GDP Growth (%)	3.75	2.74	3.76	3.20	4.60
Inflation (%)	17.16	24.54	21.40	32.88	15.75
Exchange Rate (N/$)	435.57	890.36	700.00	1517.48	1400.00
Oil Price ($/b)	70.00	82.33	73.96	81.11	75.00
Oil Production (mbpd)	1.69	1.47	1.78	1.52	2.06

Budget

	2023P	2023A	2024P	2024A	2025P
GDP Growth (%)	3.75	3.75	3.76	3.20	4.60
Inflation (%)	17.16	17.16	21.40	32.88	15.75
Exchange Rate (N/$)	435.57	435.57	800.00	1517.48	1400.00
Oil Price ($/b)	75.00	75.00	77.96	81.11	75.00
Oil Production (mbpd)	1.69	1.69	1.78	1.52	2.06

**P = Projected/ A=Actual*

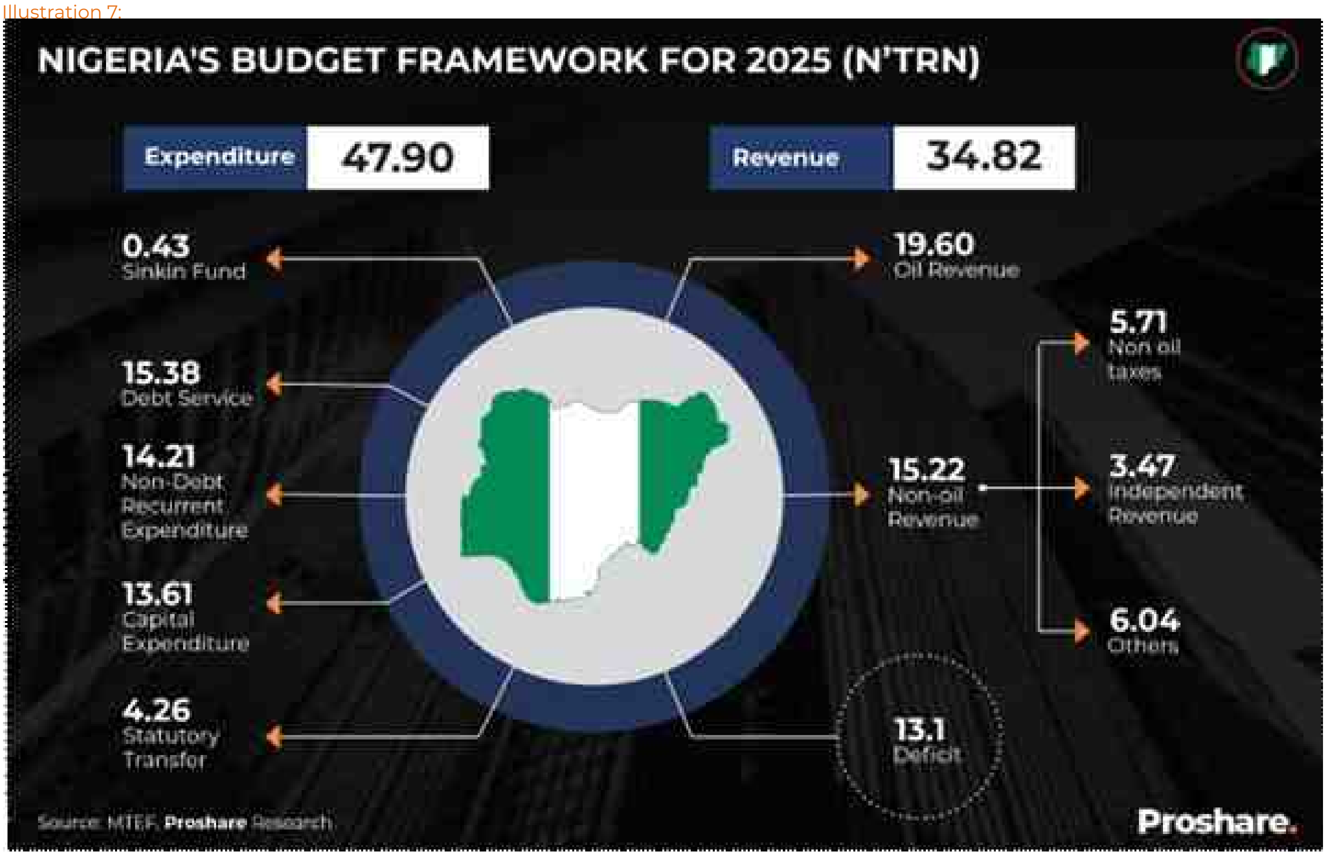
Source: FG, **Proshare** Research

Proshare.

The federal government proposed a N47.90trn spending plan for 2025, which is 36.62% higher than the 2024 budget of N35.05trn but 21% lower than the 2024 budget in dollar terms, based on FGN exchange rate assumptions. A prominent Nigerian economist opines that "spending needs to be done for growth to occur; however, questions remain on the integrity of the budget; assumptions are unrealistic, and little is known on revenue realities, but lots have been revealed on spending plan."

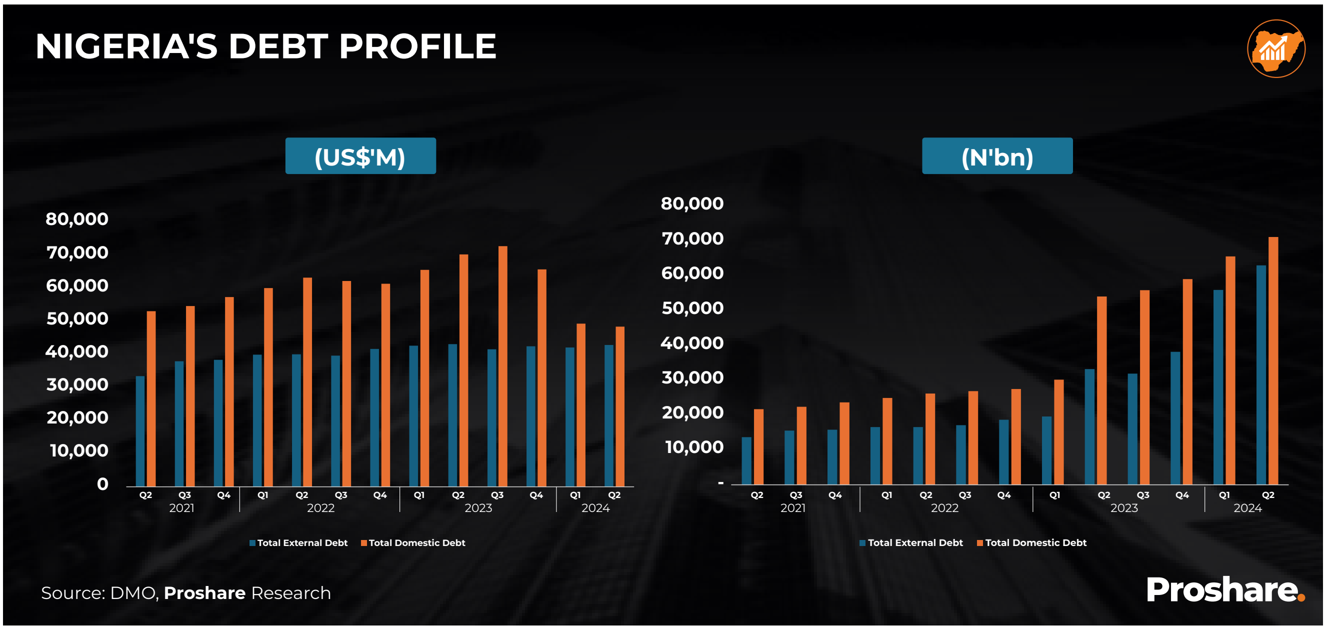
While Proshare analysts believe in ambitious plans, attaining the proposed budget assumptions may be unachievable, as observed in previous years. Nigeria has consistently underperformed in budgetary implementation, attributable to her income-centric approach to budgeting. Analysts argue that the exchange rate at N1,400/US$ and oil price at US$75 per barrel seem unattainable, which will undermine the performance of the projected revenue of N34.82trn (*see Illustration 7*).

Illustration 7:



With an expected N13trn additional debt in 2025, Nigeria's current debt profile necessitates careful fiscal management to balance the benefits of leveraging debt for development against the risks of potential debt overhang, which could impede economic progress. As of the second quarter of 2024, Nigeria's public debt reached N134trn (US$91.35bn), comprising N63.07trn (US$42.90bn) in external debt and N71.22trn (US$48.45bn) in domestic debt, with domestic debt accounting for about 53% and external debt accounting for 47% (*see chart 14*).

Chart 14:

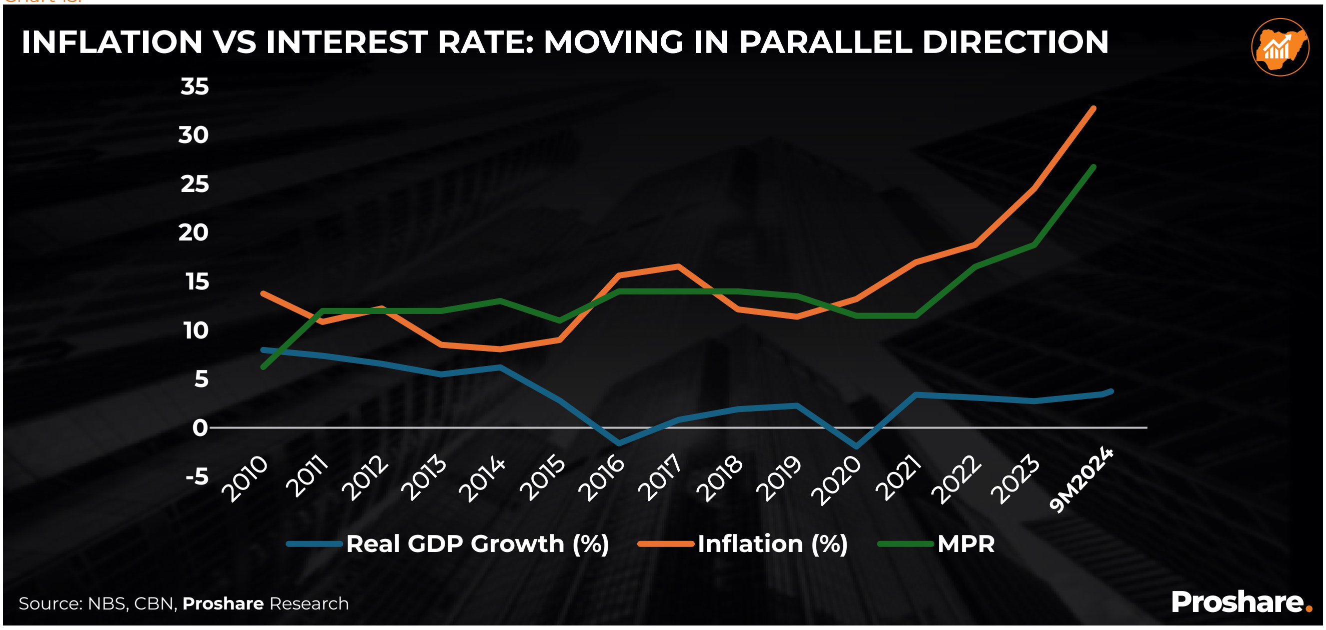


Of Fiscal and Monetary Policy Sequencing

Though desirable, sustained GDP growth in 2024 has faced pushback given the weak state of sectoral productivity and the effects of monetary tightening, which has restricted credit growth and raised borrowing costs.

Proshare analysts have argued that the CBN's ability to contain inflation by repeatedly raising policy rates is exaggerated. Inflation has unusually correlated upwardly with the CBN's policy rate; the troubles appear with the poor sequencing of monetary and fiscal policies (*see chart 15*).

Chart 15:



In the last ten years, monetary factors have risen approximately tenfold, doubling inflation despite a fourfold increase in interest rates. Moving from our previous position that monetary tightening is a necessary but insufficient condition to address runaway inflation, Proshare analysts' recent study suggests that exchange rate volatility and supply chain disruptions are weightier factors to address the general price growth in Nigeria (*see table 8*)

Table 8:

A DECADE OF MONETARY DRIVERS AND INFLATION IN NIGERIA

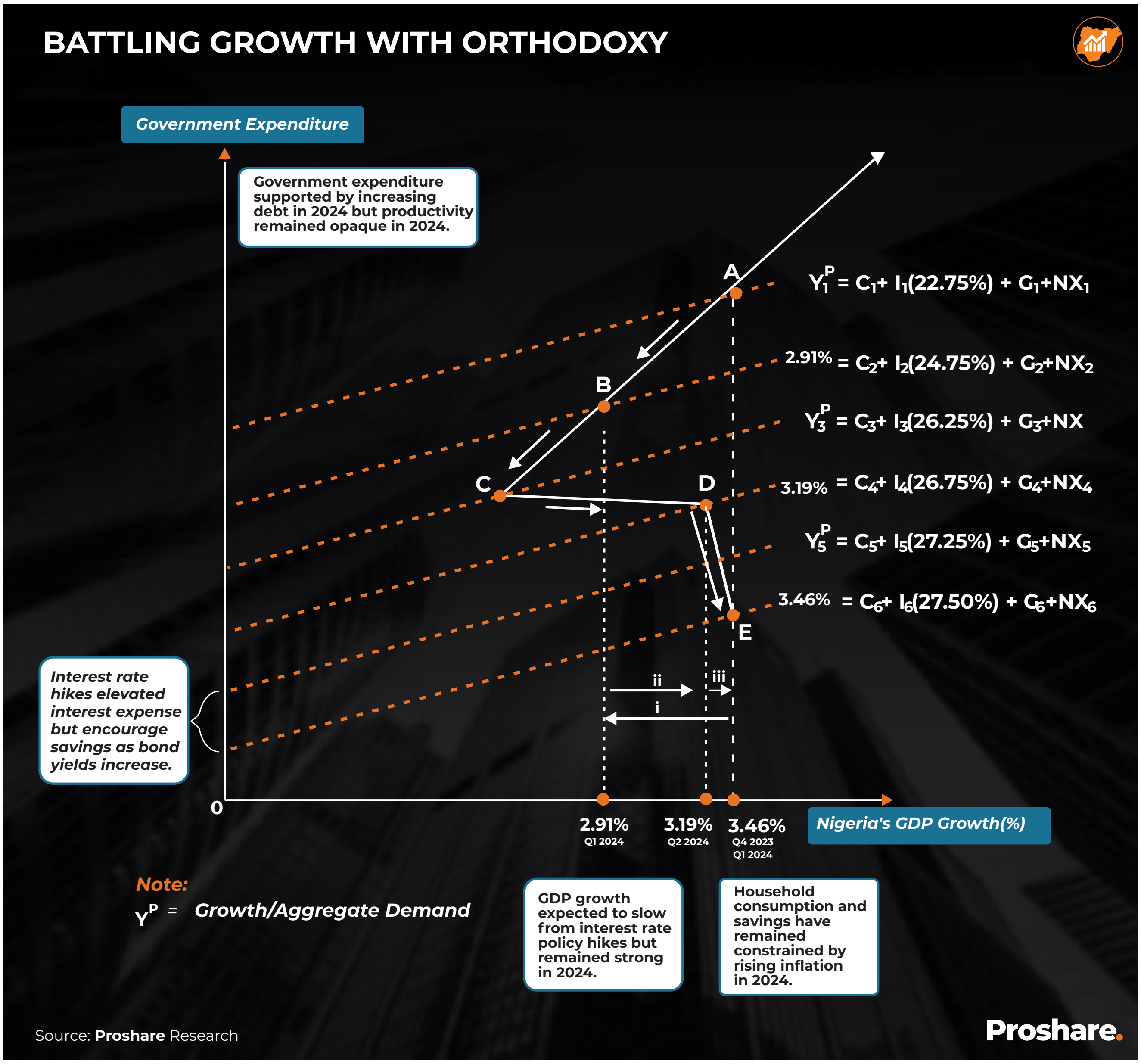
		2010	2024	Ten Year Change
	Headline Inflation	14.93	32.88	2.20x
	Food Inflation	15.97	38.94	2.43x
Drivers	Money Supply M2 (N'trn)	10.45	108.95	10.43x
Drivers	Money Supply M3 (N'trn)	10.48	108.95	10.40x
Drivers	Official FX (N/$)	150.50	1675.00	11.13x
Drivers	Public Debt (N'trn)	4.55	134.30	29.52x
Response	MPR (%)	6.00	25.88	4.31x

Source: **NBS, CBN, Proshare** Research

Proshare.

Failing to elicit a standard reaction to 875bps rate hikes, labour market conditions have rather tightened as unemployment fell 4.3% in Q2 2024, and output growth trended upwards at 3.46% in Q3 2024 from 3.19% in Q2 and 5.3% in Q1 2024, contrary to expectations and typical outcomes of an orthodox policy system (*see Illustration 8*).

Illustration 8:



Policy actions implemented in 2024, rooted in theory and orthodoxy, proved largely ineffective in stabilising the economy and mitigating associated risks. Unlike Nigeria, monetary tightening in most credit-based economies yielded faster and more effective outcomes in controlling inflation. Notably, inflation rates in the United States and the United Kingdom, which peaked in October 2022, have since declined to around 2.5%. However, Nigeria has adopted more aggressive tightening measures but has not achieved a similar outcome, with its inflation rate remaining at historically high levels (*see table 9*)

Table 9:

INFLATION POLICY RATE MECHANISM

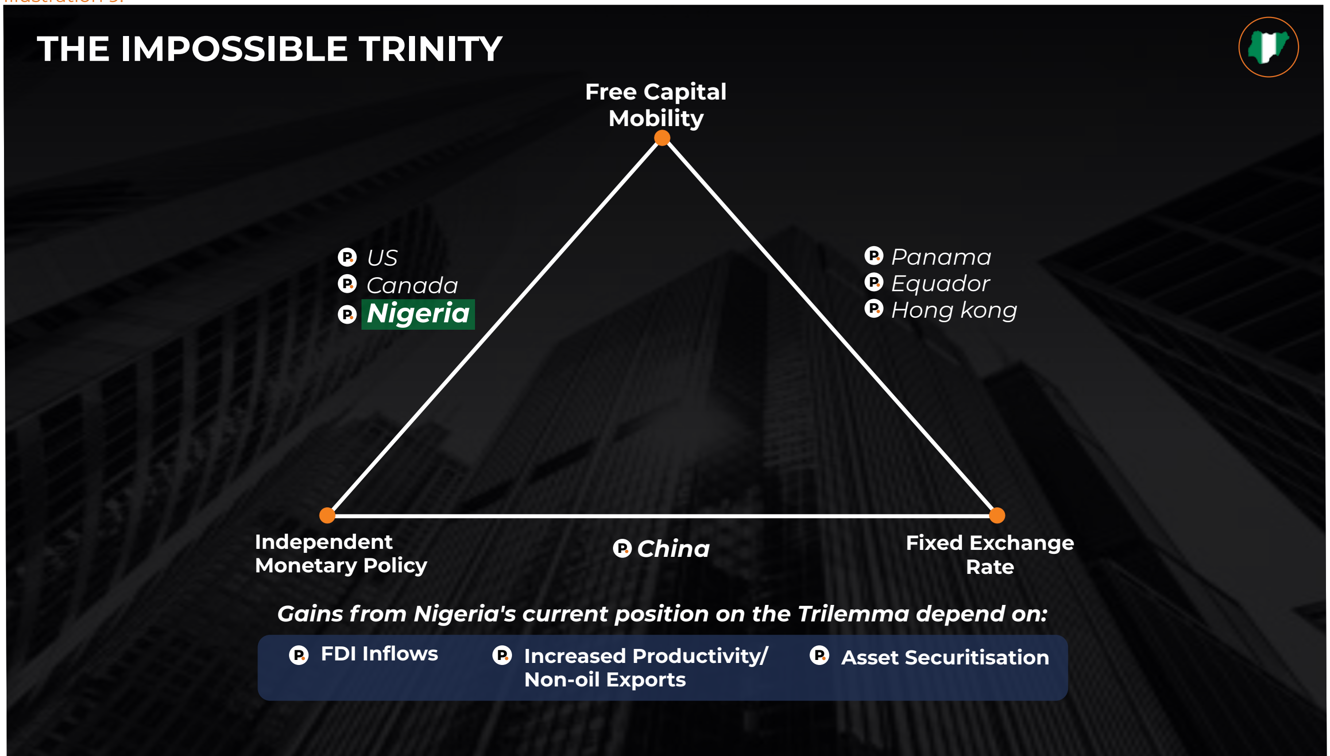
Country	Inflation as of Oct-22	Inflation as of Oct-23	Inflation as of Oct-24	Total Rate Hikes Till Inflation Moderation 2022- 2024	Inflation Direction
Canada	6.9%	3.1%	2.0%	475bps	▼
Switzerland	3.0%	1.7%	0.6%	250bps	▼
UK	11.1%	4.6%	2.3%	515bps	▼
US	7.7%	3.2%	2.6%	525bps	▼
Nigeria	21.5%	27.3%	33.9%	1600bps	▲

Source: FT, **Proshare** Research

Nigeria struggled with price instability and devaluation of the naira through 2024, symbolising the critical role of adapting and implementing the impossible trinity. Liquidity shocks thus presented a major disruption to the Nigerian economy throughout 2024. Households' real income value fell by at least 12% after the minimum wage increase, and the naira depreciated to N1,660.83 as of November 27, 2024, from N826.44 in a similar period in 2023.

Targeting exchange rate flexibility, capital mobility, and monetary policy autonomy are impossible. Only two can work simultaneously. To avoid liquidity shocks, countries such as Saudi Arabia and China have built tall walls of reserves that can absorb any level of capital mobility, making capital seem immobile and foreign exchange seem fixed (*see Illustration 9*).

Illustration 9:



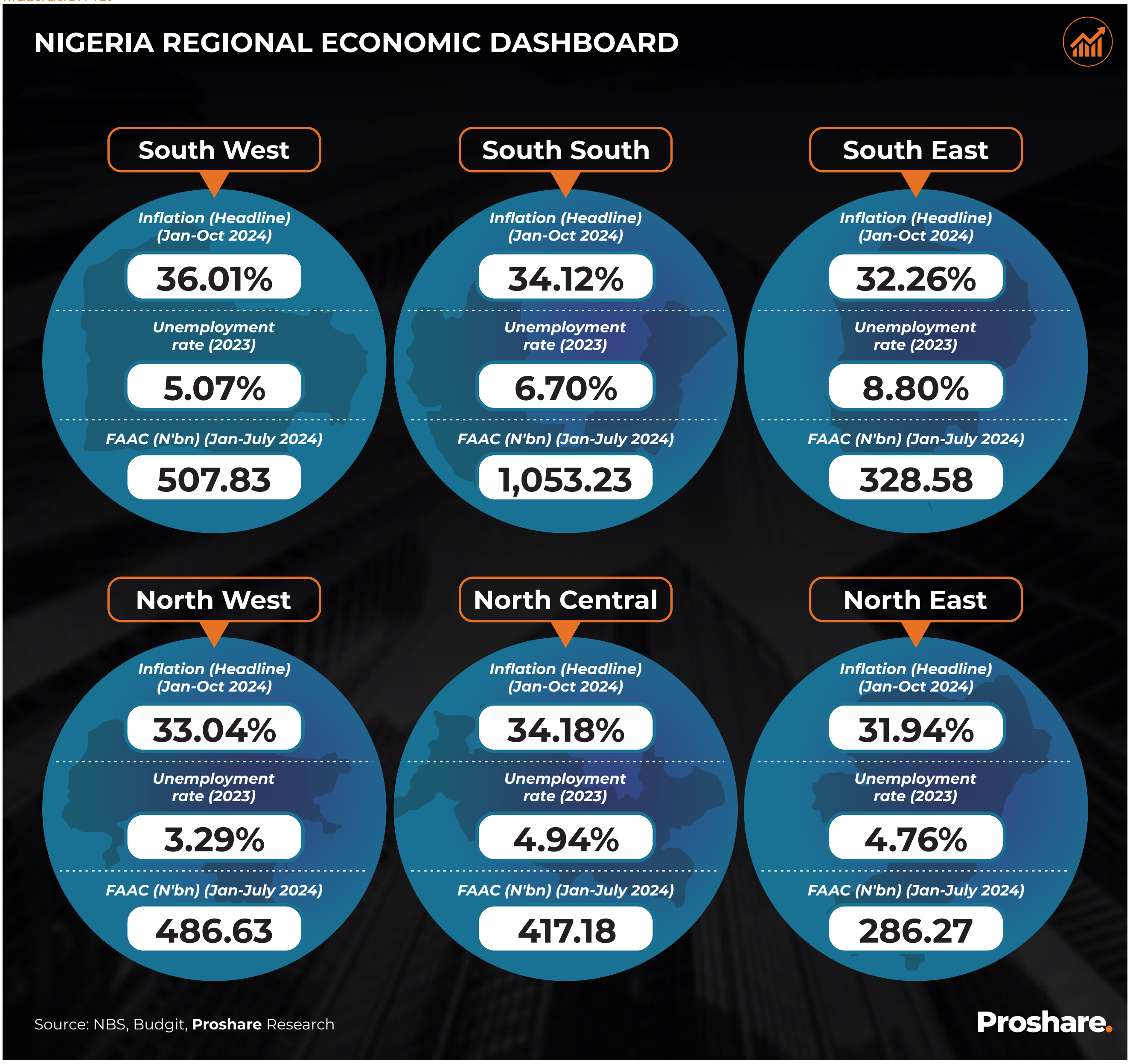
Source: **Proshare** Research

A series of regulatory FX policy adjustments aimed at liberalising the market and ensuring transparency in 2024 majorly achieved the unification of the FX rate in the official and parallel markets. However, the Naira increasingly lost strength and value in 2024. The dust raised earlier in the year on the fair value of the naira has remained unsettled and unknown. External sector performance of trade and high capital importation were not enough to strengthen the naira. A Nigerian economist notes that "*Nigeria's macro priority should be to resolve FX instability by building reserves.*"

Sub-national: Regional Economic Dashboard and Competitive Advantages

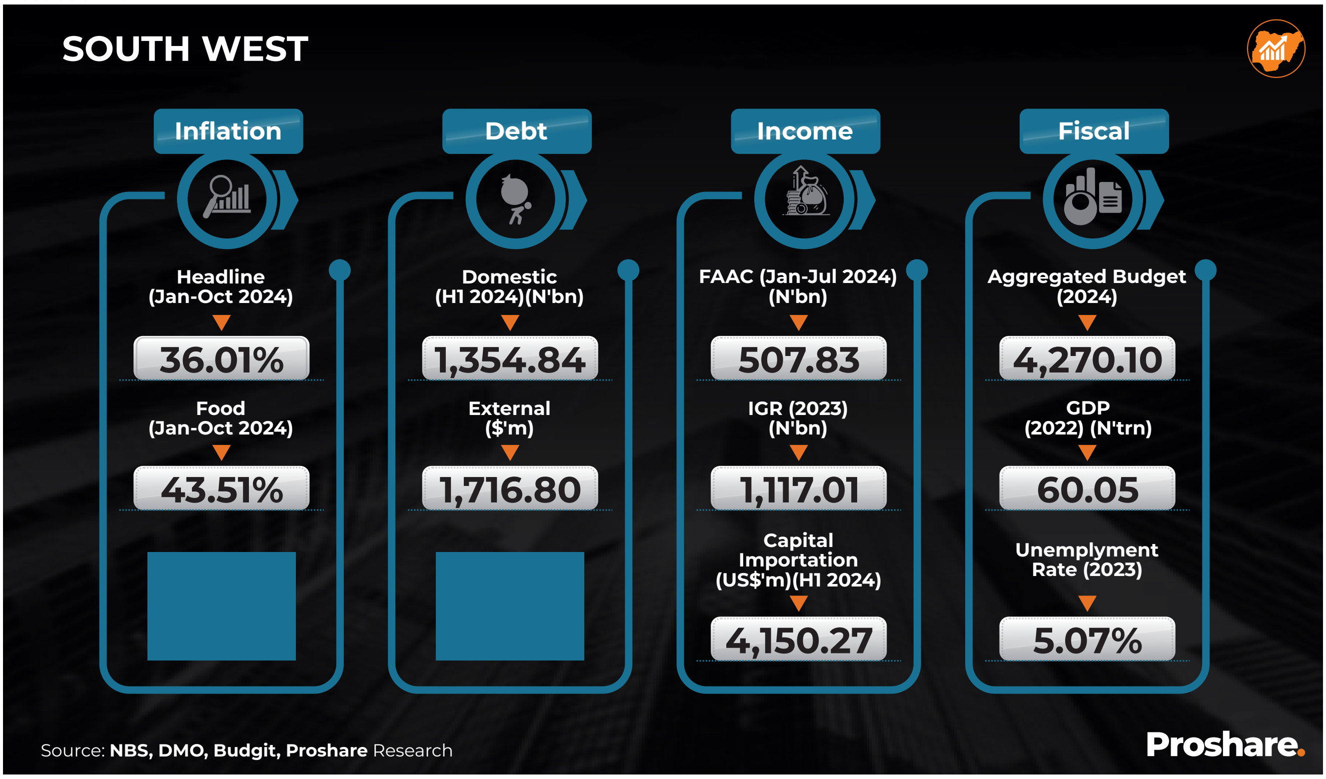
Segmenting a country into smaller units sometimes provides a clearer picture of opportunities, strengths, and deficiencies. The segregation of the Nigerian economy into regional units reveals the strong, weak, and struggling, with some regions battered by insecurity, low incomes, and slow economic activities while others outshine, leveraging industrialisation and large active working populations to suppress the structural challenges (*see illustration 10*).

Illustration 10:



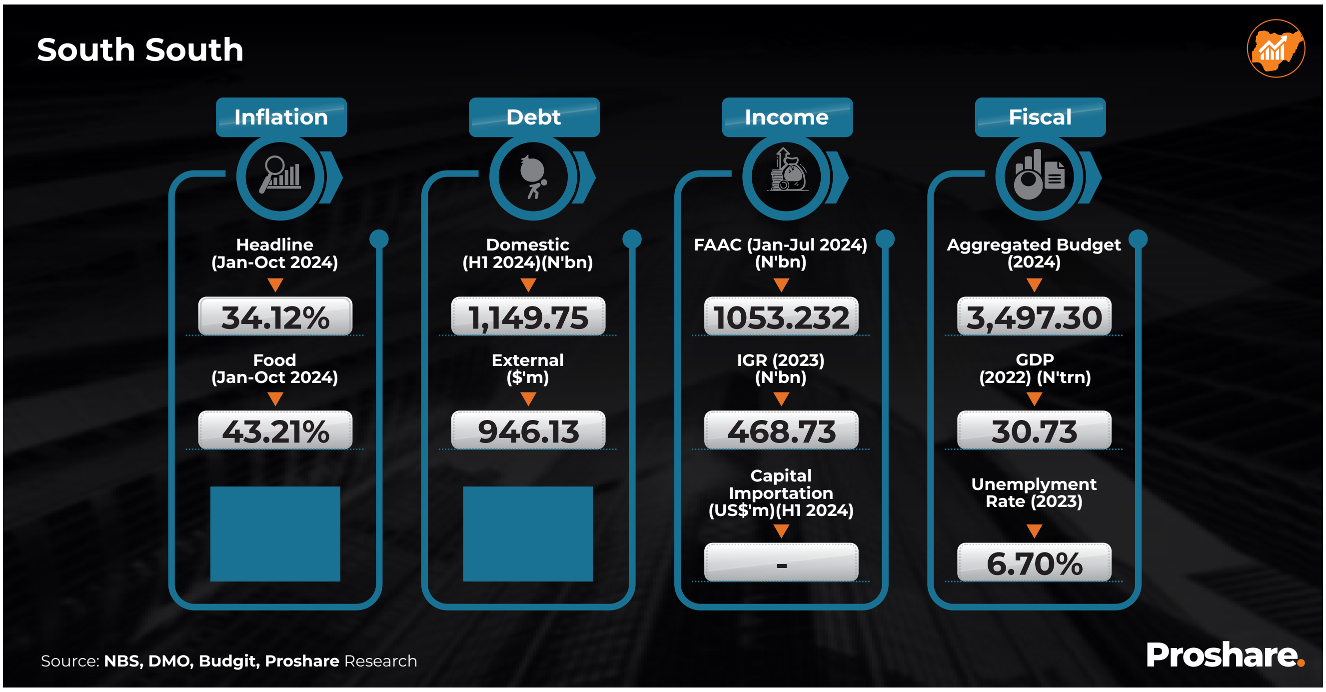
The **SouthWest** region, popularly known as the country's industrial engine, remained a strong growth area with the highest IGR (*Internally Generated Revenue*) and capital importation in 2023 and 2024. However, the region was not exempt from the reform's negative pass-through effect, as the headline and food inflation spiked to an average of 36.01% and 43.51% for January to October 2024 (the highest among the regions). The region's revenue strength allowed large borrowings, with N1.35trn and $1.72bn for domestic and foreign debts as of June 30, 2024 (*Lagos state accounted for 70% of the total debts*). Analysts expect the rapidly growing transportation connectivity within the region, such as interstate railway lines, to support manufacturing, warehousing, and distribution, reducing logistics costs and boosting regional trade. Also, the Dawn Commission Initiative on fostering regional railway systems and electricity connectivity should sustain growth in 2025 and beyond. The region's rapid infrastructural development, growing human capital, and higher technology integration will persist in 2025 (*see Illustration 11*).

Illustration 11:



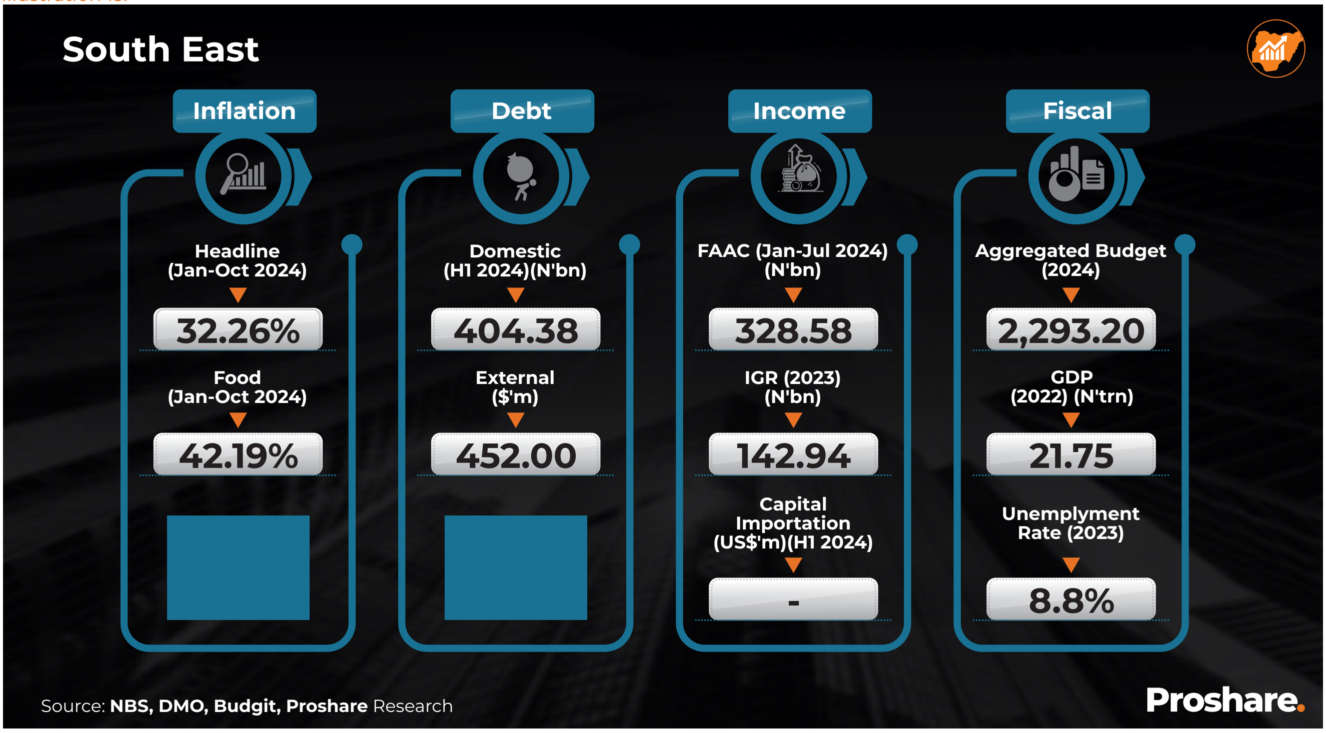
The **South-South** region's oil strength has continued to drive growth, allowing for fatter FAAC allocations (*N1.05trn for January- July 2024*) and a strong contribution to the country's trade relative to other regions. This structure has streamlined the region's productivity, mainly in the oil sector, with other sectors taking the backseat. The consequence was seen in the region's low IGR of N468.73bn generated in 2023 and the absence of any capital inflow in 2024. The region's average headline and food inflation rose to 34.12% and 43.21% for January- October 2024, slightly behind the southwest region. The heavy budget of N3.50trn relative to lower revenue led to high debt, with a distribution of N1.15trn for domestic and US$946.13m for foreign. The region had an average unemployment rate of 6.70%, the second highest among the six geopolitical zones. Based on the region's high exposure to the oil sector, the increased expectation for lower global oil price might threaten its revenue generation and performance in 2025. The region experienced rapid infrastructural development in the early 2000s but has recently declined significantly, possibly due to heightened social unrest and political changes (*see Illustration 12*).

Illustration 12:



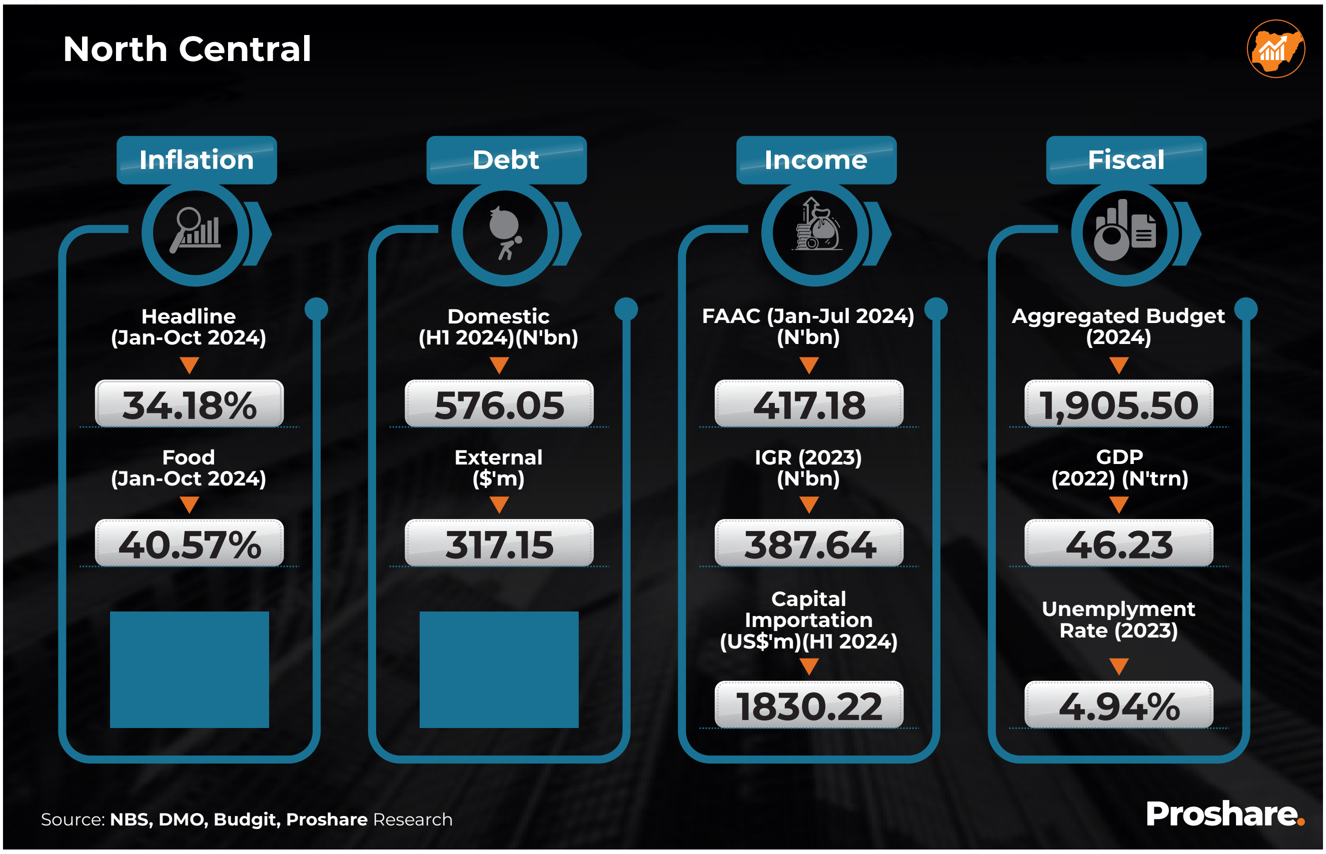
The **South-East** region had the lowest performance among the southern regions, with an FAAC allocation of N328.58bn for 7 months in 2024 and N142.94bn for IGR in 2023. The region had the highest unemployment rate, 8.8%, as Abia topped the unemployment rate chart at 18.7%. The low industrialisation and prevalence of agricultural activities in the region spurred the low performance and no capital inflows, with a low GDP of N21.75trn as of 2022. The region had an average headline and food inflation of 32.26% and 42.19% for January to October 2024. Analysts believe the region's performance might remain threatened by low industrialisation and inflationary pressure in 2025 (*see Illustration 13*).

Illustration 13:



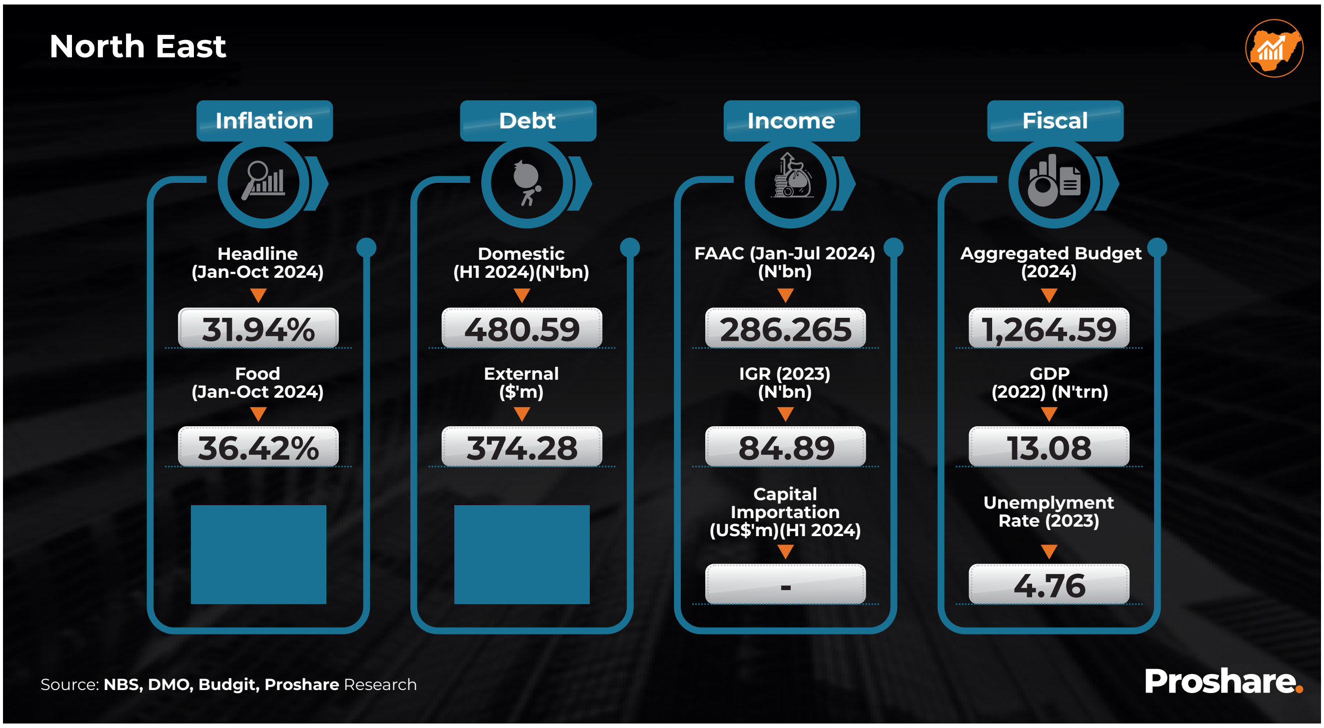
The heightened insecurity and banditry in the Northern part of the country severely hurt economic activities in the region. The combination of low planting, floods, frequent attacks on farmers, and expensive farming inputs affected the availability of farm produce, translating to higher prices across the country. The **North Central** region saw average headline and food inflation rise to 34.18% and 40.57% for 10 months in 2024, the highest among the northern regions. Foreign attraction to the country's federal capital allowed the region to benefit from US$1.83 billion in capital inflows in H1 2024, while the FAAC stood at N417.18 billion for 7 months in 2024. The region had an average unemployment rate of 4.94%, as the low figures in Nasarawa and Benue cushioned the high figures from Abuja and Plateau. The government's inability to tackle rising insecurity might prolong the weak performance in the region going into 2025 (*see Illustration 14*).

Illustration 14:



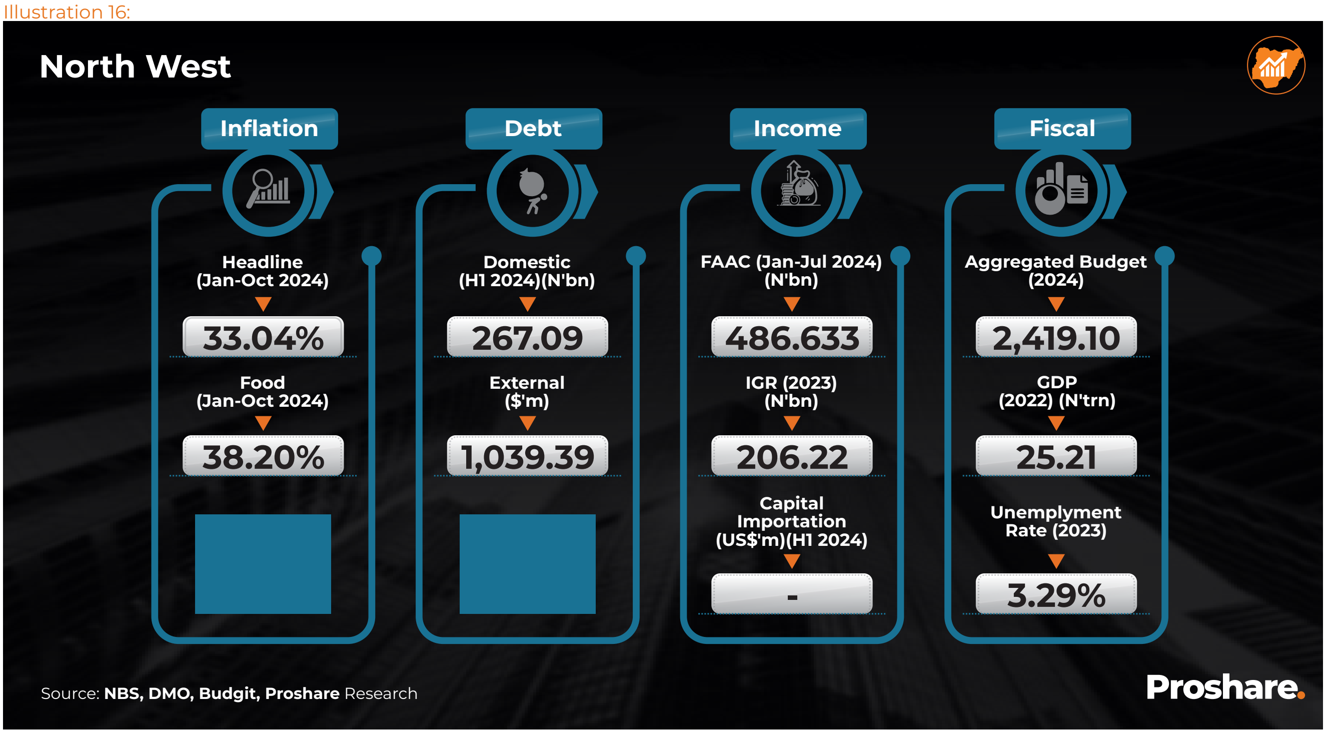
The **North-East** region had the lowest GDP and budget at N13.08trn and N1,264.59bn for 2023 and 2024, respectively. The region's low productivity hindered its ability to generate substantial IGR, hovering below N100bn at N84.89bn for 2023. Similarly, the FAAC allocation for 7 months in 2024 reached N286.27bn (the lowest among the regions). Positively, the region had the second-lowest average unemployment rate at 4.76% for 2023, but the employment could be predominantly tied to subsistence farming that generates little economic value. The region's growth might be anchored on strengthening human capital development, embracing industrialisation and technology in agriculture and boosting infrastructural development. The Northeast Commodity Association's (NECA) role is to stimulate agricultural development and regional strategic partnership. The role of the agency seems minimised and strongly tied to government interventions. Analysts expect the tax reforms and insecurity to threaten the region's revenue generation in 2025 (*see Illustration 15*).

Illustration 15:



The **North-West** region had the highest incidence of kidnapping between July 2023 and July 2024, according to the SBM intelligence report. This reality daunted the region's major economic activity' Agriculture', with average headline and food inflation rising to 33.04% and 38.20% for January to October 2024, the lowest figures compared to other regions. The intrusion and continuous attacks on farmlands will continue to hinder the region's productivity, infrastructural development, and innovative start-ups that can spur growth. The region requires urgent intervention as it threatens food availability in the country (*see Illustration 16*).

Illustration 16:



Mapping Subnational Competitive Advantages

In each region, there is the Queen and pawns, just like in the game of chess. A specific state can have dominant economic activities driving the entire region while other states' relevance is muted. In North Central, Abuja and Kwara took the trophy, with Abuja leveraging the Federal Capital advantage with high GDP, FAAC, and IGR. However, Benue and Nasarawa can be categorised as the weak points, with high reliance on FAAC allocation and low IGR and GDP.

In the Northeast region, Taraba and Yobe contributed the least with small IGR, GDP, industrialisation, and high reliance on FAAC, while Bauchi state came top in driving regional performance with the highest IGR, GDP, and substantial FAAC allocation.

In the North-west region, Kaduna and Kano are the major drivers with strong GDP, IGR, and FAAC allocation, while Zamfara and Kebbi struggle with low GDP, IGR, and productivity (*see table 10*)

Table 10:

STATES DASHBOARD 1/2

	GDP (N'trn)	Headline Inflation (Jan-Oct 2024)	Food Inflation (Jan-Oct 2024)	Budget Allocation (N'trn)	Domestic Debt Stock (N'bn) H1 2024	Foreign Debt Stock ($'m) H1 2024	IGR 2023	Unemployment rate (%)
North Central								
Niger	4.57	34.00%	38.46%	614	146.291	75.66	21.68	3.20
Nasarawa	3.30	30.01%	35.21%	199.9	23.944	52.36	23.49	0.50
Kwara	3.56	34.28%	40.39%	292.7	59.048	48.50	59.64	4.80
Kogi	3.88	36.75%	42.05%	258.3	44.05	59.54	26.78	3.00
Benue	3.71	27.25%	35.91%	225.7	116.875	26.48	19.12	1.60
Plateau	4.21	31.73%	36.80%	314.9	101.202	33.77	25.84	7.40
Abuja	23.00	32.47%	37.67%	-	84.639	20.85	211.10	14.10
North East								
Adamawa	2.66	31.28%	34.93%	225.89	102.986	101.657	17.066	3.20
Bauchi	3.6	41.65%	34.03%	300.2	147.225	185.276	30.58	4.20
Gombe	2.43	34.07%	41.14%	208.1	99.407	35.4	15.179	11.20
Taraba	2.31	28.67%	36.09%	313.4	84.718	31.458	10.869	1.90
Yobe	2.08	33.11%	39.18%	217	46.249	20.493	11.194	3.30
North West								
Sokoto	3.04	34.74%	42.96%	270.1	61.869	52.11	17.96	1.20
Katsina	3.35	28.61%	37.29%	454.3	33.732	112.982	26.96	2.80
Jigawa	3.14	36.33%	40.96%	122.4	1.816	25.113	27.54	4.00
Kano	4.98	33.33%	36.93%	437.3	63.056	123.393	37.38	7.60
Zamfara	2.92	33.69%	38.27%	426.6	62.56	27.521	22.16	3.10
Kaduna	5.43	33.27%	38.41%	458.3	28.596	640.993	62.49	2.70
Kebbi	2.35	35.92%	38.51%	250.1	15.459	57.275	11.74	1.60

Source: **NBS, DMO, Budgit, Proshare** Research

Proshare.

In the Southwest region, Lagos State is known to carry the heavy weight, delivering the highest IGR, FAAC allocation, GDP, and industrialisation, while Ekiti State and Osun States provide the lowest contribution. Ekiti and Osun states are popularly known as *civil service areas* with limited private sector activities. Diversion from the bare public sector activities and unlocking opportunities through strategic partnerships with other states within the region could stimulate better performance.

In Southeast, Anambra and Enugu seem like powerhouses, with the highest IGR and lower unemployment rate, while Abia took the rear end in terms of contribution, generating the least GDP and IGR and the highest unemployment rate.

In the South-South region, Rivers and Delta's high oil dependency made it a core contributor to the region, with strong IGR, FAAC allocation, and GDP, while Cross River stood at the tail with the least GDP, IGR, and FAAC allocation (*see table 11*).

Table 11:

STATES DASHBOARD 2/2

	GDP (N'trn)	Headline Inflation (Jan-Oct 2024)	Food Inflation (Jan-Oct 2024)	Budget Allocation (N'trn)	Domestic Debt Stock (N'bn) H1 2024	Foreign Debt Stock ($'m) H1 2024	IGR 2023	Unemploy-ment rate (%)
South East								
Anambra	5.73	34.03%	38.80%	410.1	30.864	106.607	33.46	4.80
Abia	4.8	35.56%	42.54%	567.2	97.241	97.283	23.73	18.70
Enugu	4.07	30.29%	41.64%	521.6	96.977	80.909	33.86	5.90
Ebonyi	2.78	34.12%	41.35%	202.1	20.113	92.655	30.84	3.70
Imo	4.37	29.85%	41.67%	592.2	159.188	74.55	21.05	10.90
South South								
Edo	3.87	32.68%	43.02%	342.80	70.11	380.96	64.67	4.40
Delta	6.18	28.74%	38.72%	725.00	304.54	58.13	114.09	8.20
Cross River	3.34	33.32%	41.75%	297.00	155.49	210.98	31.56	2.80
Akwa Ibom	6.2	33.68%	39.78%	850.00	132.87	37.30	43.18	5.10
Rivers	6.49	34.39%	39.88%	793.50	389.20	203.81	195.41	13.40
Bayelsa	4.65	33.18%	39.01%	489.00	97.53	54.95	19.82	6.30
South West								
Ekiti	3.31	31.89%	40.77%	159.60	59.69	136.64	32.10	5.50
Lagos	38.14	35.06%	39.59%	2300.00	885.99	1201.00	815.86	5.50
Ogun	5.00	31.39%	37.64%	703.00	211.13	166.64	146.87	8.80
Ondo	5.06	34.36%	40.49%	395.20	15.09	76.46	41.50	5.70
Osun	3.41	35.08%	41.08%	273.90	86.06	78.17	27.93	2.90
Oyo	5.13	36.40%	40.82%	438.40	96.89	57.90	52.75	2.00

Source: **NBS, DMO, Budgit, Proshare** Research

Proshare.

Microeconomic Dashboard and Outlook

Proshare analysts describe the household as a common denominator for the economy. All policies at the macro level ultimately transcend to the households and businesses. 2024 witnessed improvement in macro indicators; growth momentum increased, reaching 3.20% in 9M 2024; labour market tightened, indicated by unemployment falling to 4.3%; FPI's improved, making up 53.93% of all capital inflows into the economy and reserves improved, reaching $40.28bn as of November 20, 2024, from $33.25bn a year ago however, Nigeria's microeconomic indicators revealed that households and businesses were worse off in 2024 than previous years (*see table 12*).

Table 12:

NIGERIA'S MICROECONOMIC DASHBOARD

Group	Indicator	As of Oct 2022	As of Oct 2023	As of Oct 2024	2-year % Change
Household	Income (Min wage in N)	30,000.00	30,000.00	70,000.00	133.33%
	Income (Min wage in $)	68.18	37.62	42.91	-37.06%
	Disposable Income (MW with Effective tax rate of 15%)	25,500.00	25,500.00	59,500.00	133.33%
	Electricity Bill (Band A Tariff per Kwh)	66.00	68.00	208.92	216.55%
	Food Inflation(%)	23.72	31.52	39.16	65.09%
	Cost of Healthy Diet (N/day)	449.00	703.00	1,346*	199.78%
	Misery Index	26.39	32.33	39.18	48.47%
	Savings Rate	3.77	5.26	6.79*	80.11%
	Per capita Income ($)	2,198.27	1,637.47	877.07	-60.10%
Household Business	No of MSMEs (m)	39.00	40.00	43.00**	10.26%
	New Account Openings	17.50	51.60	28.50	62.86%
	POS Transactions (N'trn)**	41.04	110.35	121.38**	195.76%
	No of time National Grid Collapse	8.00	3.00	10.00	25.00%
	PMS Price	195.29	630.63	1184.83	506.70%
	Maximum Lending Rate	28.06	28.06	30.21*	7.66%

*As of Sept. 2024 | **Estimated

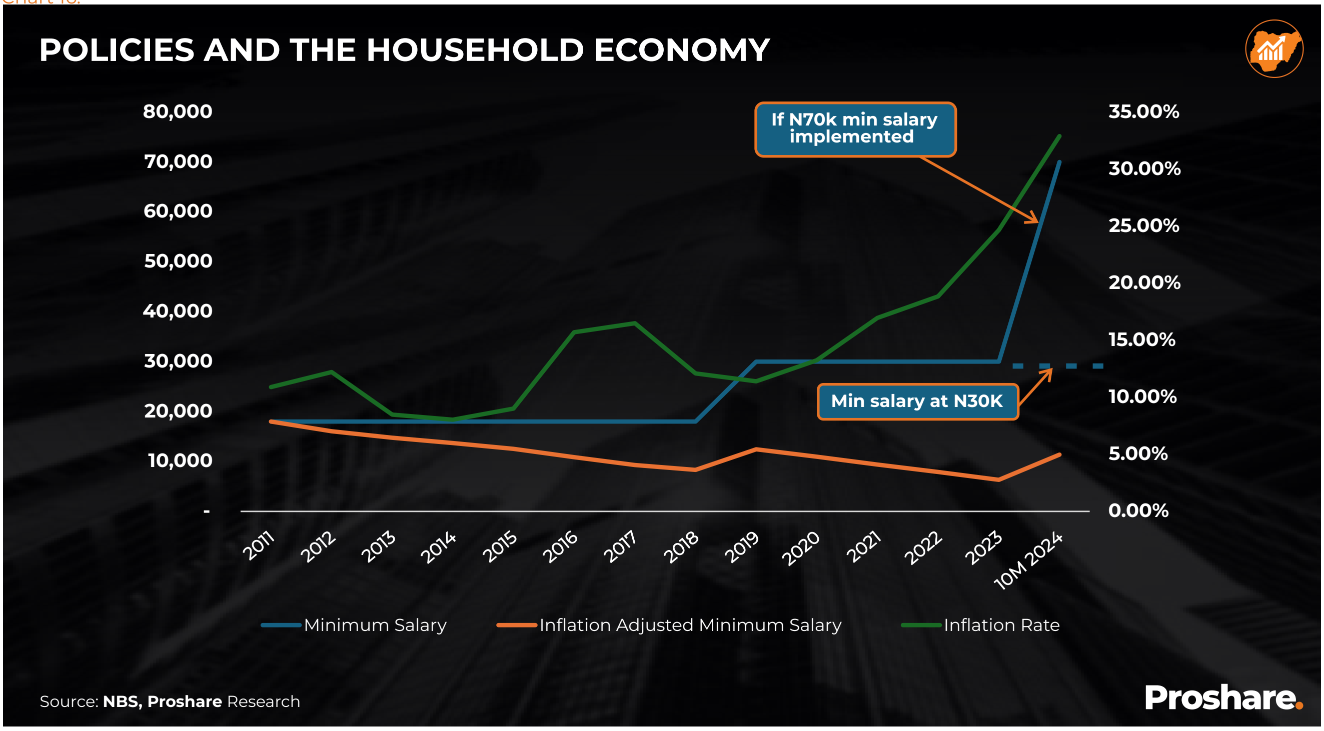
Source: **CBN, NBS, IMF, NUPRC, MoF, Proshare** Research

Proshare.

Households as Common Denominator

The many faces of policies and austerity measures that unfolded in 2024 essentially yielded varying implications on household quality of life and household economy. While the government's decision to raise the minimum wage from N30,000 to N70,000 aimed to alleviate some pressures, the reality was far more complex. Inflation, relentlessly eroding the real value of disposable income by at least 12%, stifled the economic freedom of households and the and the vibrant entrepreneurial spirit within Nigerian households was suppressed (*see chart 16*).

Chart 16:



Monetary policy tightening failed to address the inflation crisis or curb the challenge of a unified but volatile exchange rate. Households' economic optimism, often described as "animal spirits," thus lay dormant as families struggled to navigate an increasingly difficult financial landscape. While policy changes may have appeared beneficial on the surface and some macroeconomic indicators showed signs of improvement, they failed to deliver meaningful improvements in the everyday lives of households in 2024.

Additional policies, such as electricity tariff hikes, the removal of fuel subsidies leading to higher PMS prices, and escalating insecurity, further compounded the financial strain on households. Ultimately, analysts believe that the longer it takes for a recovery to appear, the more deviance gap/crime will emerge as households explore survival options. Proshare analysts argued that key reforms' impact on households will largely remain unappealing if current realities persist in the year ahead; however, the impact of some notable reforms will yield positive outcomes in the long run if well calibrated in the immediate period (*see table 13*).

Table 13:

POLICY REFORM AND OUTLOOK

Reforms	2023	2024	2025	Long Run
Student Loan	Neutral	Neutral	Neutral	Improve
PIA 2021	Neutral	Improve	Improve	Improve
Electricity Act 2023	Neutral	Neutral	Neutral	Improve
Fiscal and Tax Reforms	Neutral	Neutral	Neutral	Improve
Adoption of Digital Services	Neutral	Neutral	Neutral	Improve
Ministry of Blue Economy	Neutral	Neutral	Improve	Improve
E-Passport System	Neutral	Improve	Improve	Improve

Improve *Neutral*

Source: **Proshare** Research

Proshare.

Assumption and Outlooks on Nigerian Economy

Proshare analysts assume a mixed performance of key economic parameters in 2025. Key risks to households and business overall performance in 2024 should persist in 2025 (*see table 14*).

Table 14:

KEY ASSUMPTIONS FOR 2025

Indicators	Assumption	Drivers
GDP Growth	Positive	Service sector growth, increase fiscal spending, and trade growth
Inflation	Negative	FX depreciation, Energy Cost and Food Insecurity
Exchange Rate	Negative	Liqudity risks and Low FDI
MPR/Borrowing Cost	Negative	Sticky Inflation
CRR	Negative	High Money Supply
FX Reserve	Positive	Increased Borrowings and FPI Inflow
Foreign Trade	Positive	Increase crude oil export and FX movement
Remittances	Positive	CBN FX Policies and Digitalisation
NPL	Negative	Constrained Economic Conditions
Taxes i.e PIT, CIT, VAT, WHT	Positive	Fiscal and Tax Reforms
Capital Inflow	Positive	High yields on fixed income securities
Migration	Negative	Social/Economic Discontent and Insecurity
Insecurity	Negative	Economic Stagnation
Misery Index	Negative	High Inflation and Umemployment
Technology Innovation	Positive	R&D and External Factors
Income Per Capita	Negative	Suboptimal GDP
Energy Cost	Negative	FX and Infrastructure Challenges
Equities Market	Positive	FPI, Recapitalisation, and Interest rate change
Fixed Income Market	Positive	FPI inflows, sectoral growth prospects, and policy reforms

Positive *Negative*

Source: **Proshare** Research

Proshare.

As the economy prepares for a rebasing in the first half of 2025, analysts focus on the performance of sectors that have previously remained under the radar yet hold significant potential for growth. With this economic shift on the horizon, the projections indicate that while rebasing may bring about changes, there may be an exaggerated perception of growth. In this scenario, inflation will similarly show an exaggerated decline, signaling ongoing challenges despite the anticipated adjustments (*see table 15*).

Table 15:

SCENARIOS OF EXPECTATIONS FOR 2025 (WITH REBASING)

	Best Case	Base Case	Worst Case
GDP Growth Rate	5.60%	3.60%	2.40%
Inflation	16%	27%	36%
Exchange Rate	N1,400/US$	N1,650/US$	N2,200US$
Unemployment	4.00%	4.60%	5.70%

Source: **Proshare** Research

Proshare.

Analysts anticipate the GDP growth indicator to perform better than in 2024. However, macroeconomic conditions may remain challenging as inflation remains elevated and naira depreciation persists but at a steady pace (*see table 16*).

Table 16:

SNAPSHOT OF EXPECTATIONS FOR NIGERIAN ECONOMY IN 2025

Analysts Outlook	GDP Growth	Inflation	Exchange Rate
World Bank (WB)	3.70%	21.00%	_
International Monetary Fund (IMF)	3.20%	25.00%	_
African Development (AfDB)	3.40%	20.70%	_
Nigerian Economic Summit Group (NESG)	3.20%	High	Further Depreciate
CFG Advisory	Suboptimal	High	N1,800-2,100/US$
Economic Associates (EA)	Low	High	N1,800-2,100/US$
FDC*	2.80%	33.10%	N1,550/US$
Zedcrest Research	3.40%	25.26%	N1700-1720/US$
Proshare Research	3.60%	27%	N1,650/US$

****Q1 2025 Forecast***

Source: Various Analyts, **Proshare** Research

Proshare.

Of Shifts And Ideological Underpinnings Of The Nigerian Economy.

The Visioning Trap: **Of Memories over Imagination**

Problem Definitions and Gaps in Nigeria's Economic Prosperity Pursuit

Of Government Agenda – **Policies, Programmes and Project Alignments**

The Game of Transitions, Transformations and Translations

Patents and Intellectual Property Rights – **Ultimate Competitive Advantage**

Of Shifts And Ideological Underpinnings **Of The Nigerian Economy.**

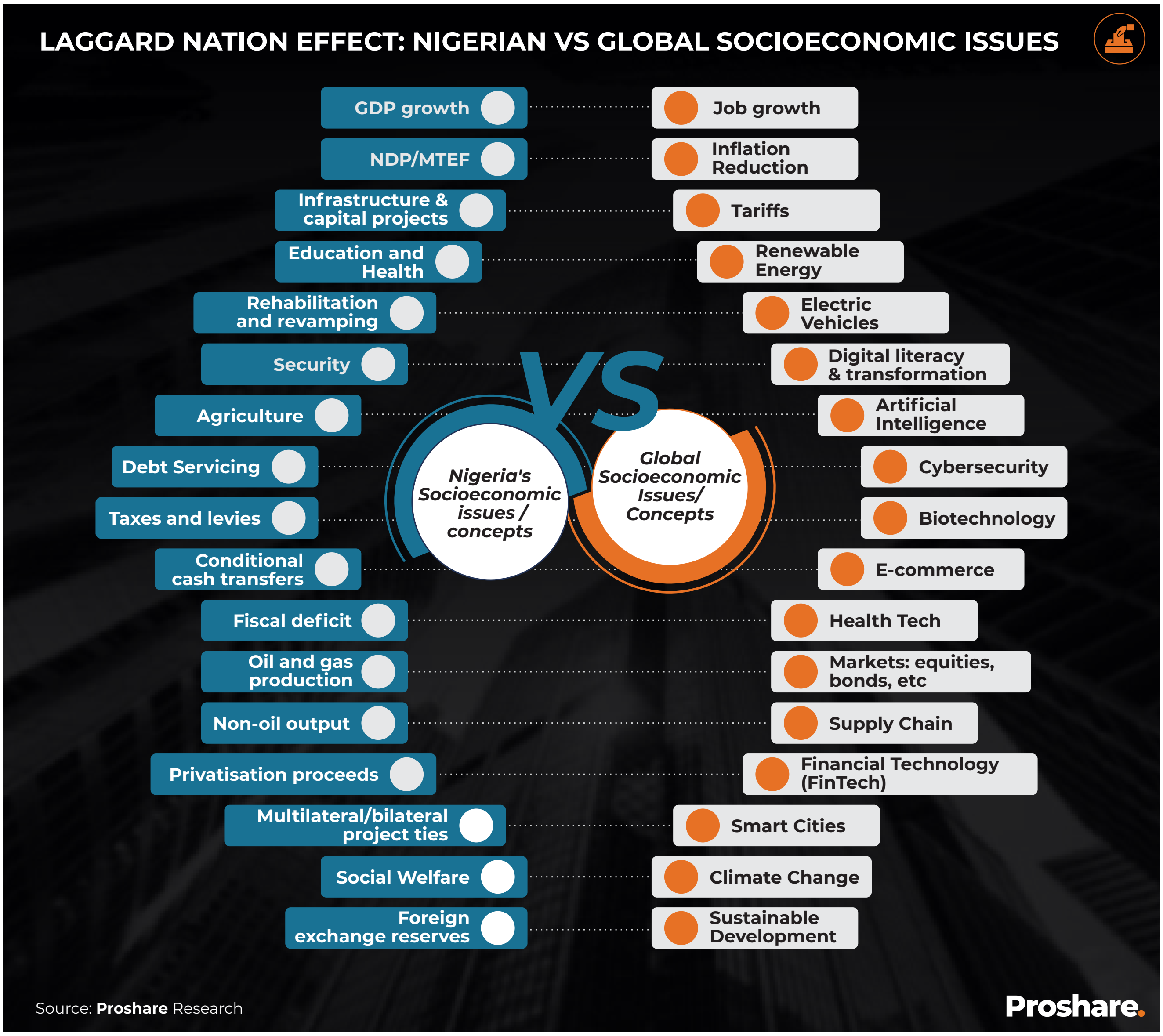
"A paradigm shift is necessary to unlock Nigeria's full economic potential."
-TheAnalyst

The Visioning Trap: Of Memories over Imagination in Policy Making

Memories offer soundbites, but imagination paints the full story, filling in the gaps and expanding the possibilities of what could or should be. Over the years, Nigeria's economic policymaking has fallen into a "visioning trap," characterised by an excessive reliance on past achievements rather than envisioning a transformative future. The choice is between a progressive ideology and a redundant ideology. The retrospective approach, adopted so far, has shaped our economic trajectory, where we prioritise, fine-tuning strategies inherited from past administrations rather than fundamentally rethinking our policymaking process to address both our fundamental challenges and emerging threats. While the former has yielded incremental achievements—such as the completion of infrastructure projects, the likes of Lagos-Ibadan Expressway and the Second Niger Bridge, relief programmes, and advancements in selected sectors—these efforts have largely been tokenistic. They fail to align with the rapidly shifting global economic landscape that demands more imaginative and innovative policy interventions across governance structures of nations.

The consequences of the visioning trap are visible in our slow pace of diversification, technological stagnation, and continued dependence on oil and gas for foreign exchange accretion. While progressive economies have embraced industries driven by intellectual property, data innovation, and adaptive technologies, Nigeria's policy framework is yet anchored on its traditional economic base—agriculture, oil and gas, and civil services. Meanwhile, the reliance of thriving sectors, such as financial services and ICT, on traditional economic pillars further underscores their vulnerability to the country's laggard approach to policymaking (*see illustration 17*).

Illustration 17:



Insanity, in the basic sense of it, is doing the same thing repeatedly and expecting a different result. Continuously adhering to memory-bound strategies risks further entrenching Nigeria in the visioning trap, where economic and infrastructural development does not move beyond the visions of the colonial powers and military governments.

Prosperity cannot be delivered to Nigerians through loan accumulation, palliatives, remedial measures, and band-aids for citizens in critical times. In *"The Prosperity Paradox"*, Late Professor Clayton Christensen and Nigeria's Efosa Ojomo argued that prosperity does not come from merely addressing deficiencies in activity areas like education, healthcare, or governance. Instead, they suggest that true economic growth stems from market-creating innovations—investments focused on improving people's well-being rather than short-term palliatives. According to these authors, *prosperity isn't created through the flood of resources designed to remedy things like low-quality education, sub-par healthcare, bad governance, or non-existent infrastructure. Instead, for many countries, prosperity flourishes when investments are targeted at improving people's well-being through a particular type of innovation called market-creating innovations.*"

Our current approach to policymaking often misses this vital point of innovation and the imaginative foresight that could unlock the economic potential across sectors. Indeed, history offers valuable lessons, but an over-reliance on past strategies deprives us of the creativity necessary for growth based on current reality. Moving from convenience to a rather unorthodox and future-oriented approach to economic management is imperative to unlock the prosperity of Nigeria.

Problem Definitions and Gaps in the Economic Prosperity Pursuit of Nigeria

Nigeria's path to economic prosperity has had enduring barriers: some are spillovers from the changing global economic order, while others are consequences of Nigeria's laggard approach to policy formation and implementation.

- Nigeria has prioritised the sovereign income statement over its balance sheet statement, emphasising revenue and expenses over an asset-centric approach to economic management. Developed countries have moved away from income statement management to assets management, with Saudi Arabia as a case in point (e.g., the Saudi Aramco case).

- Nigeria has a human capital gap. The country's educational system is misaligned with the economy's needs, making it unfit for purpose but sometimes suitable for other economies. This translates into a productivity and competitiveness conundrum that explains the random 'japa' phenomenon, which can be used to our advantage.

- The gaps between our policy imperatives and policy actions have also resulted in a reactionary approach to economic management, trust deficits, weak institutions, and a lack of cohesive policy frameworks. To achieve a stable and substantially lower general price level, a rather strategic move should be strengthening the country's net foreign reserves to around US$100bn since foreign exchange translation costs account for about 70% of domestic inflation. Instead, the CBN has opted for a conventional approach of hiking the Monetary Policy Rate (MPR), a strategy that has yet to deliver the desired outcomes.

- Public policy is also being executed in silos, with the absence of coordination and sequencing to achieve meaningful economic impact. This lack of a whole-of-government approach to governance has resulted in policy ineffectiveness.

- Nigeria faces a growing crisis of confidence at the public policy level fueled by a historical lack of a clear fiscal direction, loose policies, and a reactive approach to public policy. Persistent opacity in government finances, coupled with a deficit in transparency and accountability, has created an environment ripe for speculative behaviours and survival-driven strategies for businesses and households. These dynamics have exacerbated economic challenges, leading to surging inflation, currency devaluation, and sluggish growth.

Of Government Agenda – Policies, Programmes and Project Alignments

Indeed, great socioeconomic planning and delivery hinge on three key anchors: policies, programmes, and projects designed to be measurable, cost-effective, and supported by legal enablers to guide state direction. However, persistent misalignment among these anchors undermines both effective national planning and the delivery of outcomes through effectual implementation. This disconnection disrupts the seamless integration of strategic plans into annual budgets, weakening resource allocation, implementation efficiency, and overall development outcomes. Nigeria has long had first-world aspirations while sustaining a third-world mentality in planning and budgeting. The misalignment of the two reaffirms existing frustration with the private-public compact.

Not adopting a whole-of-government approach denies us the ability to resolve our development dynamics with consistent policies and within timeframes. It is a choice between an overnight success and an incremental growth within the timescale of a defined endgame with identified timelines for policies, programmes, projects, and outcomes. Taking the latter requires that our prosperity endgame must be captured in budgets, medium-term expenditure frameworks, and development plans. Although not a sufficient guarantee of success within the Nigerian context, the pre-requisite of a prosperity roadmap is that it is written, synchronised, actionable, and accessible for transparency, citizens' buy-in, and social guidance. Strengthening alignment across sectors and ministries is crucial for translating our national goals into tangible socioeconomic progress (*see illustration 18*).

Illustration 18:

GAINS OF POLICY SYNCHRONIZATION AND PAINS OF DESYNCHRONIZATION

Indicators	Gains of Synchronization	Pains of Desynchronization
Economic Growth	A whole-of-government approach to governance provides context to policy actions and a coordinated governance strategy.	Policy flipflops which undermine investment inflows and weaken policy actions.
Efficiency in Governance	Coordinated programmes reduce redundancy and save costs.	Policy flipflops which undermine investment inflows and weaken policy actions.
Public Trust and Participation	Coordinated programmes reduce redundancy and save costs.	Crisis of confidence and high trust deficit

Source: **Proshare** Research

Proshare.

Game of Transitions, Transformations and Translations

A common misstep in policymaking is conflating potential with probability. Many outcomes may be possible, but only those aligned with clear priorities and feasibility are probable and hold meaningful value in public policymaking. Effective planning requires an evaluation of goals based on their likelihood of success and alignment with strategic priorities. Prioritising probabilities rather than mere possibilities streamlines policymakers' decision to allocate resources to initiatives that are actionable, yield tangible results, and contribute to long-term national objectives.

The ultimate goal of a sovereign plan is to achieve economic growth, stability, security, and competitiveness through a structured framework of policies, programmes, and projects, each costed and broken down into timelines that align with budget phases and culminate in a cohesive, actionable blueprint. The absence of these orders often weakens our plan and policy agenda (*see table 17*)

Table 17:

OF TRANSITIONS, TRANSFORMATIONS, AND TRANSLATIONS

Policy Agenda	*Objective*	*Documents*	*Outcome*
Structural Adjustment Programme (SAP)	To restructure and diversify the economy, reduce dependence on oil	SAP Document	Mixed outcomes; economic liberalisation but increased poverty
Vision 2010	To transform Nigeria into a developed nation by 2010	Vision 2010 Document	Failed to achieve significant targets due to political instability and corruption.
National Economic Empowerment and Development Strategy (NEEDS)	To achieve poverty reduction, wealth creation, and employment generation	NEEDS Document	Some progress in economic reforms, but widespread poverty and unemployment persisted.
7-Point Agenda	Address critical infrastructure, food security, wealth creation, education, land reform, security, and Niger Delta.	7-Point Agenda Document	Little progress due to the short tenure of the president.
Transformation Agenda	Continuation of Vision 20:2020, focusing on job creation, poverty alleviation, and economic growth.	Transformation AgendaBlueprint	Some economic growth, but poverty and unemployment rates remained high.
Vision 20:2020	To position Nigeria among the top 20 economies by 2020	Vision 20:2020 Document	Missed targets; Nigeria did not reach the top 20 economies.
Economic Recovery and Growth Plan (ERGP)	To restore economic growth, invest in people, and build a globally competitive economy	ERGP Document	Short-term recovery was achieved, but structural reforms for long-term growth were insufficient.
What is the current plan?	To achieve a US$1trn economy by 2030	No roadmap or economic blueprint	What will be the outcome?

Source: **Proshare** Research.

Prosperity flourishes when investments are directed at enhancing well-being through market-creating innovations. A prime example in Nigeria is the introduction of General System for Mobile (GSM) technology in 2001. This innovation did not require extensive government financial input; instead, the government generated revenue from licenses granted to private operators.

Telecommunication innovation has triggered not just increased access to telephones and broader communication channels but also a whole new industry and value chain in the digital economy, leading to massive employment growth. Additionally, it opened diverse business opportunities across sectors that can leverage internet connectivity to advance economic and social benefits for Nigerians (*see illustration 19*).

Illustration 19:

NIGERIA'S REFORMS PROSPERITY CASE STUDIES

Reforms	Policy Actions	Impacts
Petroleum Industry Act (2021)	**PIB was passed and assented to by the President.**	**Overhauled the oil and gas industry, and introduced a favourable fiscal and regulatory regime that included a deregulated oil and gas market.**
Banking Consolidation (2005)	**Regulatory requirement for an increase in share capital to N25bn per national DMB.**	**The recapitalisation increased bank sizes and funding ability for big-ticket deals including the Dangote Refinery syndicated loan.** **Strengthened bank quality and Improved financial system stability.**
Telecom (2001)	**Licenses were issued to private operators.**	**Telephony & Internet services grew exponentially, and entry costs were higher but have reversed.**
NLNG (1989)	**Set up as an incorporated JV company to harness Nigeria's vast natural gas resources.**	**Supplies about 40% of domestic LPG demand, reduces gas flaring, and exports a significant volume of LNG.**
Education (1980s)	**Transition to the 6-3-3-4 system and Introduction of the Open University system.**	**Blended formal education with technical and vocational skills as well as Increased access to higher education and provided flexible learning.**

Source: **Proshare** Research

Proshare.

Of Patents and Intellectual Property Rights – Ultimate Competitive Advantage

Industrialization is irrelevant without patents and copyright in the industrial system of today. In keeping with the tenant of Hernando De Soto about the mystery of capital, he argued that even if countries liberalise and open their economies to foreign investment, they will not succeed in bringing prosperity to ordinary people until they have established a formal system of property rights.

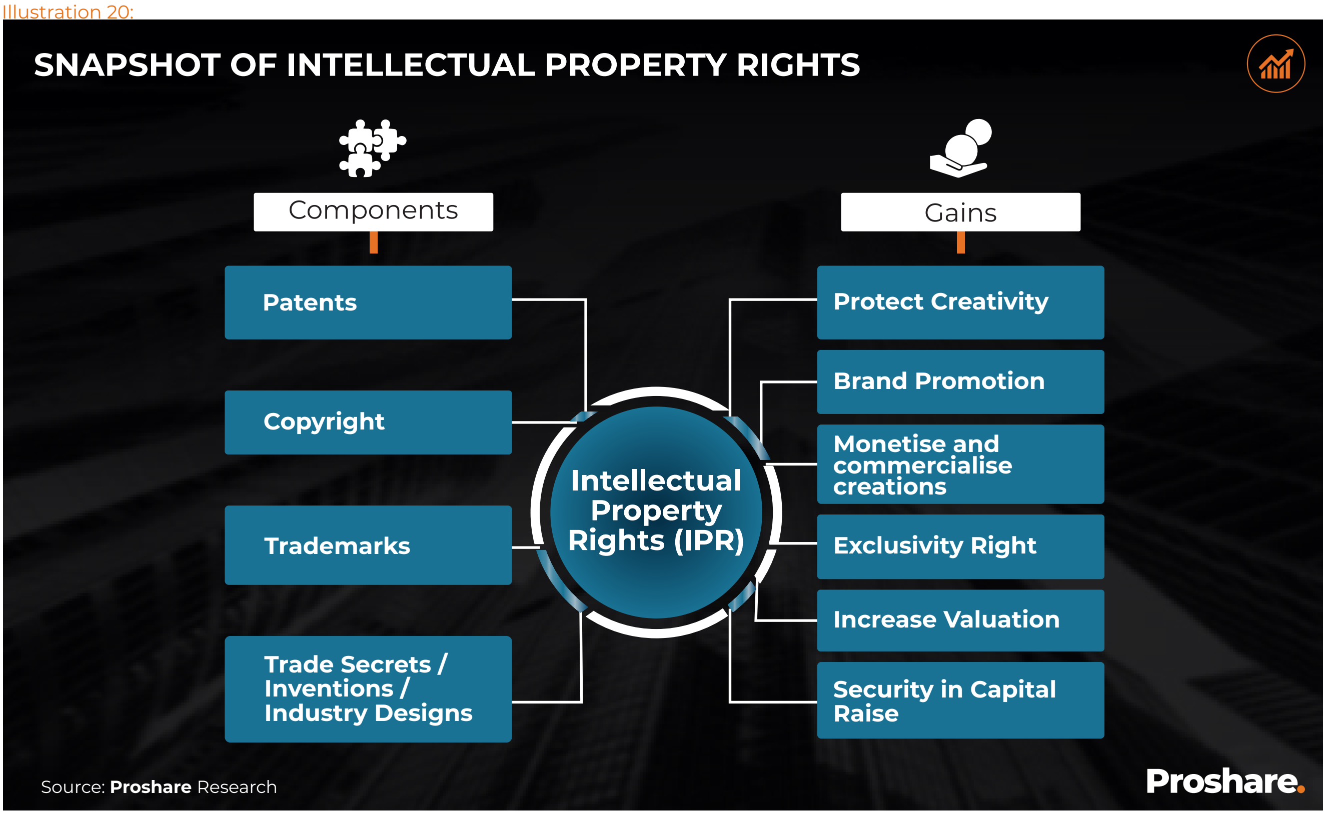
Nigeria has established itself as a global hub for innovation across various sectors, including technology, the creative industry, music, arts, and film industries, but lack intellectual property rights (IPR). According to Goldsmiths Solicitors, the Nigerian FinTech and music industries are valued annually at about US$545m and US$45m, respectively, underscoring the country's thriving creative and innovative economy. A report by Banwo and Ighodalo Law Firm also noted that *Nollywood is said to be the country's second-largest job-creating sector after agriculture, employing over 1 million Nigerians directly and indirectly, mostly youth*. *According to a report by the Nigerian Export-Import*

Bank, Nollywood is said to generate about US$590m annually and is considered a vital non-oil area that is crucial to Nigeria's economic diversification. However, despite the rapid growth of Nigeria's creative industry, a World Bank report estimated that "*for every legitimate copy (of a Nigerian film) sold, nine others are pirated*". Banwo and Ighodalo attributed the losses to the country's weak intellectual property rights. According to the Law Firm, *the effect of piracy on the entertainment industry in Nigeria highlights the terrible cost Nigeria has had to pay for its weak intellectual property rights (IPR) protection and enforcement framework.*

To strengthen the lapses, Nigeria's legal framework has introduced provisions for protecting the intellectual property rights of creatives and inventors, including the Copyright Act, Trademark Act, Patents and Designs Act, Merchandise Marks Act, and Trade Malpractices Act, all under the Trademarks, Patents and Designs Registry of the Federal Ministry of Industry, Trade, and Investment.

For Nigeria's entertainment industry - one of the fastest-growing in the world - IP rights serve as the ultimate competitive advantage. It helps to preserve the originality of creative works, safeguard against unauthorised use, and enable the global export of Nigerian content with the assurance of proper remuneration. Additionally, these rights contribute to the valuation of companies by transforming intangible assets into measurable financial worth, a critical factor during mergers, acquisitions, or fundraising efforts. In a landscape driven by innovation and creativity, robust IP protection is essential for us as a nation to maintain its edge, attract international collaborations, and continue its rise as a global cultural powerhouse *(see illustration 20)*.

Illustration 20:



Unlocking The Economic Prosperity Of Nigeria.

Reimagining the Sectors into Economy
Rebasing the Economy
Transitioning into a US$1trn Economy and Beyond by 2030
Financing the Economy
Sequencing Policies to Activate the Game Plan

Unlocking The Economic **Prosperity Of Nigeria.**

"Economic Prosperity of a nation is a combination of economic growth, security, and competitiveness." -TheAnalyst

Reimagining the Sectors into the Economies

Our pursuit of productivity-driven prosperity is also bedevilled by a large array of sectors that somewhat weaken allocation and monitoring. In particular, the current 46-sector classification by the National Bureau of Statistics (NBS), broadly grouped into primary (agriculture), secondary (industry), and tertiary (service) sectors, undermines a streamlined approach to managing the economy. Proshare analysts revisit this framework and consolidate the sectors into fourteen to streamline sectoral deliverables, identify growth areas, and underscore the gaps between current annual output and optimal productivity levels that can deliver the projected US$1trn economy (*see table 18*)

Table 18:

SECTORAL RECALIBRATION AND OUTPUT GAPS TO THE US$1TRN ECONOMY

	Sectoral Economy	Components	Key Agencies	Annual Output - 2023 Nominal GDP (US$'bn)*	2030 Potential Output - Proshare Estimate ($'bn)	Gap to the US$1trn Economy
1	Digital Economy	ICT	NCC, NITDA, NIPOST, NigComSat	39.87	109.78	69.91
2	Creative Economy	Arts, Entertainment and Recreation, Publishing, Motion Pictures, Music Production, and Broadcasting.	FMACT, NOTAP	7.77	21.40	13.63
3	Energy Economy	Crude Petroleum, Oil Refining, Electricity, Renewables	NUPRC, NMDPRA, NEITI, ECN	24.53	67.54	43.01
4	Mineral Economy	Mining and Quarrying	COMEG, MCO, NGSA, SMDF	2.78	7.66	4.88
5	Blue Economy	Fishing , Water Transportation	NPA, NSC, NIWA, NIMASA, CRFFN	3.71	10.22	6.51
6	Lifestyle Economy	Accommodation and Food Services	NTDC, NAFDAC	3.14	8.66	5.52
7	Mobility Economy	Transportation and Storage	NRC, FAAN	5.25	14.44	9.19
8	Agricultural Economy	Crop Production, Livestock, Forestry	FMARD, NADF	80.47	221.57	141.10
9	Services Economy	Financial and Insurance, Professional, Administrative, Public Administration, Other Services	CBN, NAICOM, BPSR	37.03	101.95	64.92

	Sectoral Economy	Components	Key Agencies	Annual Output - 2023 Nominal GDP (US$'bn)*	2030 Potential Output - Proshare Estimate ($'bn)	Gap to the US$1trn Economy
10	Industrial Economy	Manufacturing	FMITI	56.9	156.67	99.77
11	Trade Economy	Trade	FMITI, NEPC	43.3	119.22	75.92
12	Construction Economy	Construction, Real Estate	FMWH	51.58	142.01	90.43
13	Education Economy	Education	NUC	4.91	13.52	8.61
14	Health Economy	Human Health and Social Services	NAFDAC, NHIA, NIMR, NACA, NIPRD, NPHCDA	1.97	5.44	3.47
	Total Ouptut			363.21	1000.08	636.87

*** 2023 GDP in dollar estimated @N633/US$- average rate for 2023*

The Gap to US$1trn output

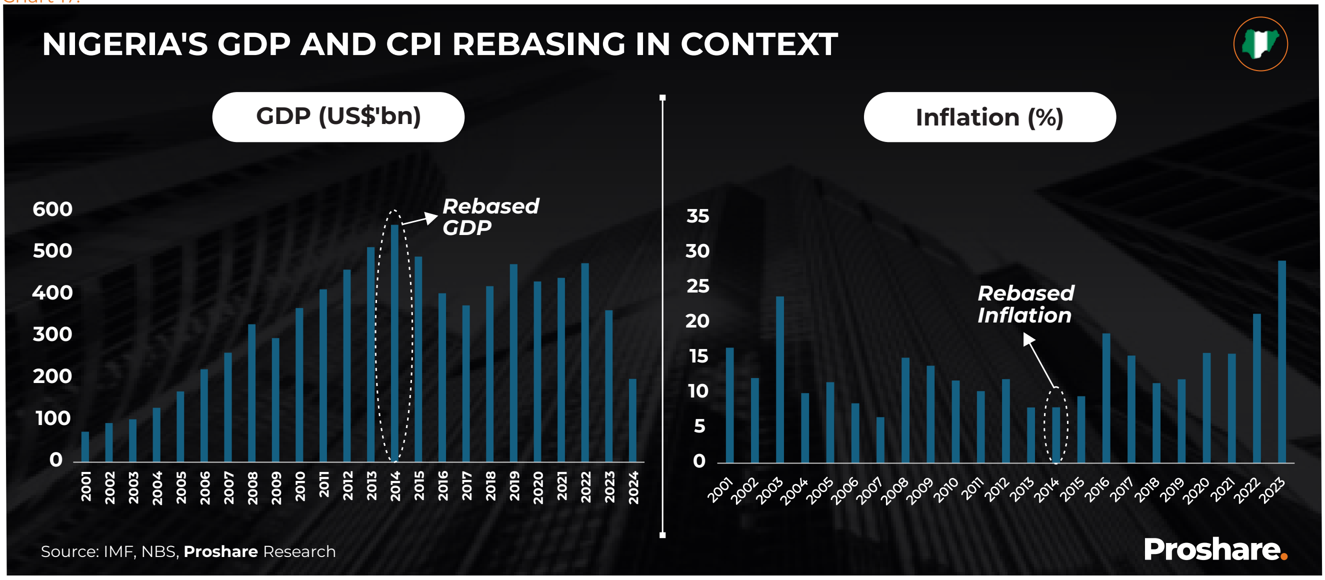
Source: **Proshare** Research

Rebasing the Economy

In April 2014, the National Bureau of Statistics (NBS) recalibrated Nigeria's Gross Domestic Product (GDP) by updating its base year and incorporating new weights to reflect the prevailing prices and market structure. The rebasing exercise gave weight to the fast-growing services sector, particularly industries like Nollywood, entertainment, and telecommunications sectors, which had previously been underrepresented. The result was a dramatic leap in Nigeria's GDP from US$270bn to $510bn, an 89% increase that positioned the country as Africa's largest economy, ahead of South Africa and Egypt.

As of 2024, Nigeria ranks as the fourth-largest economy in Africa, according to the International Monetary Fund (IMF). Although rebasing is expected at intervals to align national statistics with prevailing reality, for whatever purpose it is, the NBS has announced plans for another GDP and Consumer Price Index (CPI) rebasing exercise in the first quarter of 2025. This revision aims for a more precise and contemporary assessment of Nigeria's economic activities and inflationary trends. The GDP rebasing will update the base year and recalibrate sectoral weights, while the CPI rebasing will modernise the basket of goods and services to reflect current consumption patterns and update the base year. Economic analysts argued that the GDP rebasing will yield an exaggerated GDP growth number, and the CPI rebasing will downplay the inflation rate (*see chart 17*).

Chart 17:



Nonetheless, the expected rebasing may restore Nigeria to its position as Africa's largest economy by providing a clearer picture of its diverse and dynamic sectors. Beyond boosting the country's economic stature, the rebasing will arguably equip policymakers with improved data to gauge the effectiveness of fiscal and monetary policies. Proshare analysts believe the rebasing will move the country closer and faster to the US$1trn economy.

Transitioning into a US$1trn Economy and Beyond by 2030

A paradigm shift is necessary to unlock Nigeria's full economic potential, one of which is the transition from a "presidential power" approach to a cohesive, whole-of-government strategy that aligns policy actions across all ministries, departments, and agencies (MDAs). Additionally, decisive policy actions are imperative across key areas, to transition to the US$1trn economy and beyond by 2030 (*see table 19*)

Table 19:

BETWEEN WHAT HAS BEEN DONE AND WHAT NEEDS TO BE DONE

	What Has Been Done/State of Play	*What Needs to be Done*
Fiscal Policy	Fuel subsidy removal Constituted Fiscal and Tax Reforms Committee and Presidential Economic Coordination Council. Finance Act Amendments Issued domestic dollar-denominated bonds.	Explore equity financing of government projects Repurpose subsidies as productivity incentives in key sectors; with clear RoI's/Tax contributions. Bridge gaps in trade agreements and de-linkages with MDAs. Implement the fiscal and tax reforms proposal
Monetary Policy	Exchange rate harmonisation. Monetary tightening to curb inflation Initiated bank recapitalisation. Transition from ATM to POS terminal system	Consolidate monetary tightening with fiscal prudence. Follow through on recapitalization of financial services, i.e. the insurance sector. Disintegrate the monetary policy functions into the UK model of BOE, FCA, and PRA.
Trade and Foreign Policy	Improved bilateral relations with key countries. Commenced Guided Trade Initiative of the AfCFTA Land and Air border with neighbours reopened	Establish a Sovereign Deal Book. Mainstream Trade & Investment as a major component of economic management. Fund extractive industries Review the HS Codes to incentivise exports of specific goods and discourage others. Expand port operation to 24/7.
Business Facilitation	Continued the PEBEC initiative. Executive order to ease the tax burden N250bn interventions in key sectors, such as Agriculture, Manufacturing and Transportation. Signed Electricity Bill and upward review of Band A tariffs.	Strengthen PPPs for security and strategic planning Create government-private incorporated JVs Introduce fiscal subsidies in key industries Develop a night economy for job creation.
Household Welfare	Conditional cash transfer to vulnerable households. Subsidised food distribution programmes. Student loan programme. Minimum wage review. Consumer Credit Scheme. Advocacy and implementation of CNG and LPG adoption programmes.	Use reserves to crash food prices Have a plan for (1) rapid build-up of reserves and (2) interventions. Expand the tax base with household incentives. Facilitate hire-purchases/consumer credits system for household finances. Promote rent-to-own schemes.

Source: **Proshare** Research.

Proshare.

In between what needs to be done and the targets of the economic prosperity of Nigeria hangs the enablers, without which the imperatives may suffer defeat.

Enablers of Economic Prosperity to Bridge Gaps

Transportation Network

- Efficient mobility system as a productivity enhancer
- Trade facilitation with customs service efficiency

Technology / Internet Services

- Integration of Innovation and productivity boost
- Digital literacy/Connectivity
- Data oversight & control

Infrastructure

- Deal Books / PPP models
- Tax and subsidy as productivity incentives
- Infrastructure funding instruments for health, education, rail, etc
- Capital market as a veritable platform for ownership & returns in Infrastructure projects

Intellectual Property

- Creativity protection and enforcement
- Innovation incentives
- Patents (as a competitive advantage)

Security

- Increased funding for the new security architecture
- Investment opportunities in Military Hardware
- Reducing business costs factored into security plans

Education Services

- Curriculum Changes to service new industry
- Change in funding models and minimum standards
- Alignment of town and gown across sectors.

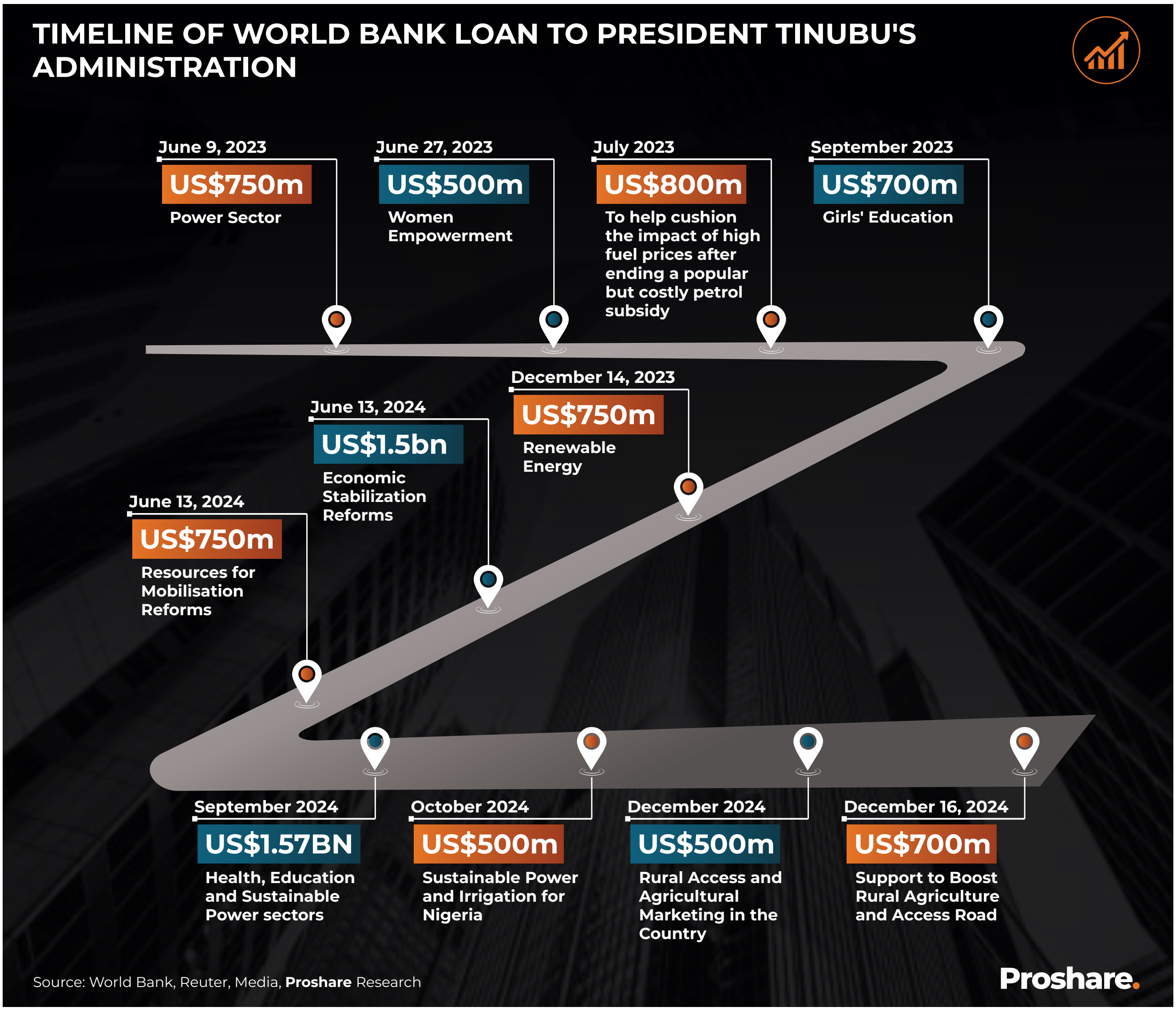
Financing the New Economy

Income-centric Approach - Public Sector/Debt Financing

Achieving the ambitious US$1trn economy will necessitate large financing in both short and long terms. In the short-term, this will compel the government to sustain its borrowing over the next two to three years. With the associated high-interest rates environment, this borrowing could potentially crowd out private-sector investments, creating challenges for businesses seeking affordable capital. Nonetheless, such fiscal stimulants are necessary to fund critical infrastructure and economic development projects that lay the foundation for long-term growth (*see illustration 21*).

Illustration **21.**

Illustration 21:



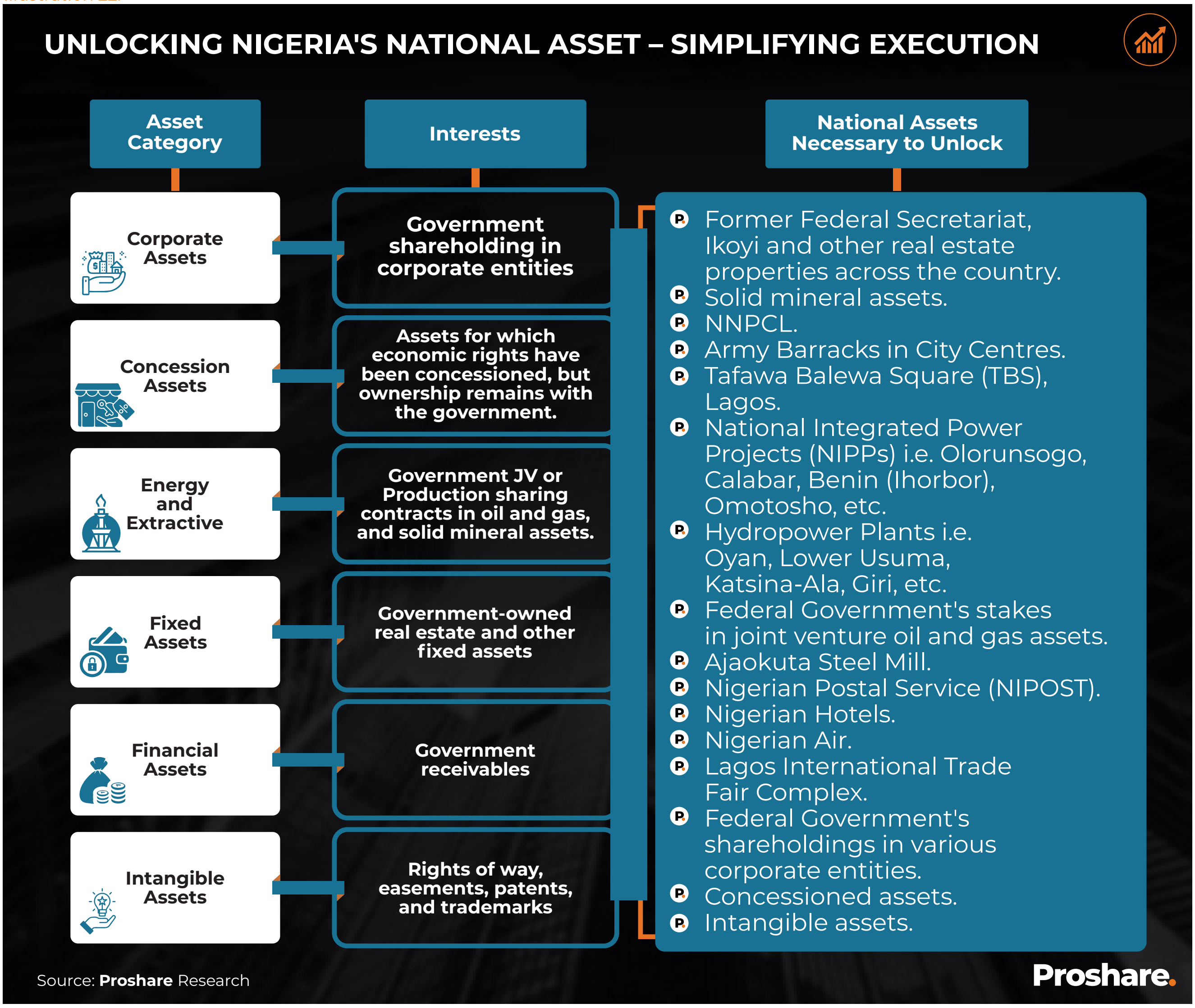
Balance Sheet/Asset-centric Approach - Securitisation and Financialisation

In The Mystery of Capital, Hernando de Soto emphasised the transformative power of formal property systems in unlocking capital for economic prosperity. He argues that many developing nations have untapped "dead capital" because assets lack formal property representation, which limits their ability to be applied to economic growth.

Nigeria possesses a vast reservoir of unproductive or "dead capital," as described by Hernando de Soto, that includes underutilised and sometimes unused government properties, public infrastructure, and state-owned enterprises that are yet to be integrated into the local productive systems. According to official estimates, Nigeria has about N180trn trapped in dead or idle public assets. These assets, ranging from dormant industrial facilities such as Ajaokuta Steel Mill to strategically located real estate, such as the National Secretariat, Ikoyi and Armed Forces Barracks across city centres, which are hitherto trapped in inefficiency due to unclear ownership structures or unclear decommissioning processes, lack of market integration, and restrictive governance frameworks.

Unlocking the value of these assets through securitisation, financialisation, or innovative public-private partnerships will inject significant capital into the economy. Transforming these assets into marketable and revenue-generating entities can mobilise domestic and foreign investment, stimulate job creation, and bridge the mounting fiscal deficits/debt profile, which currently stands at over N130trn as of Q3 2024 (see illustration 22).

Illustration 22:



Market-centric Approach – Financing Economic Growth

The concept of a market-centric approach reflects fiscal funding arrangements outside the purview of either the income-centric or asset-centric concepts of fiscal revenue flows. It arises from the creation of income streams from intangible assets such as patents, intellectual property rights, and trademarks. It equally refers to market-creating licensing as seen during the approval of the general system for mobile (GSM) telephone operators in the telecommunications sector in 1999/2000. This was highlighted in Professor Clayton Christensen, Efosa Ojomu, and Karen Dillon's book 'The Prosperity Paradox.' The authors pointed to the market-creating opportunities that emerge from new technology that could grow private and government sector incomes.

Proshare analysts contend that consistent with Albert Einstein's view that a problem cannot be solved at the same level of thinking that created it in the first place, unlocking Nigeria's fiscal revenue opportunities requires going beyond standard approaches to the public treasury; it requires producing cash flows from the upper end of what economists refer to as the 'smile curve'.

The analysts argue that a market-centric approach will unlock inherent income potential from assets absent from the country's schedule of total assets. This introduces new potential income streams.

Sequencing Policies to Activate Growth

Prosperity is achieved through innovative thinking, integrated sequencing, and impeccable execution of public policies and actions. Achieving a US$1trn Nigerian economy requires the strategic alignment and sequencing of fiscal and monetary policies to unlock growth across critical sectors.

On the fiscal side, which should lead the prosperity drive, the Minister of Finance, as the Coordinating Minister of the Economy, must spearhead targeted development plans, budget reforms, and trade alliances. Proshare analysts have argued that fiscal policy should embody the four key elements of fiscal management, trade policy, foreign policy, and intellectual property rights.

- Fiscal Policy: Nigeria's fiscal reforms must provide for waivers and subsidies as incentives for productivity and investment while eliminating non-state tax collectors to ensure accountability and efficiency.
- Foreign Policy: Nigeria's foreign policy must align with the country's economic growth targets and priority sectors to attract strategic partnerships and foster trade relations.
- Trade Policy: Nigeria's bilateral and multilateral treaties should be revisited and adjusted through a review of the country's Harmonized System (HS) Codes to harness competitive advantages in key industries.
- Intellectual Property Rights (IPR): For meaningful and competitive growth within the global community, Nigeria must prioritize the establishment and enforcement of strong intellectual property rights.

On the monetary policy front, the Central Bank of Nigeria (CBN) plays a pivotal role in stabilizing the economy through sound exchange rate management and the preservation of monetary autonomy. Prioritizing free capital mobility while ensuring exchange rate stability will foster investor confidence and enhance liquidity. Policies that effectively balance inflation control with growth stimulation will drive private-sector innovation and capital formation. The harmonization of fiscal and monetary policies and their alignment with the country's economic growth aspirations can create a dynamic and inclusive business environment capable of exceeding the US$1trn GDPtarget

Illustration **21.**

Our **Publications**

Consistent over the **years.**

Visit **Report Central**

0700-PROSHARE
Info@proshare.co
www.proshare.co @proshare proshare.co

Proshare.

Closing **Thoughts.**

Unlocking Nigeria's economic prosperity is a dance of courage, creativity and consistency. There will be no shortcuts, bush paths, or tidy sidewalks; the journey will be hard, rough, and sometimes brutal. Those hoping to see a softening of the harsh socioeconomic conditions of 2024 (high domestic inflation, relatively low foreign reserves, falling output and productivity, weak job market, depreciating foreign value of the naira, lower disposable income, and rising energy costs) can expect a mixed outcome.

Inflation will remain high, at least in Q1 and Q2 2025. Until Nigeria's foreign reserves rise significantly, domestic inflation will remain a challenge, regardless of the number of times and how high the CBN raises its monetary policy rate (MPR). To bring domestic inflation closer to the CBN's desired target rate of 21%, the country's foreign reserves must rise by at least 50% to US$60bn, unconstrained by forward obligations. However, even the reserve of US60bn is far from the analysts' preferred level of between US$80bn and US$120bn.

Improving the FX reserve would relieve domestic inflationary pressure and create fresh production opportunities for the private sector, as credit expansion supports private sector growth. The crowding-out effect of public-sector borrowing would weaken as real disposable consumer incomes rise and high commercial loan costs moderate, allowing companies to defend their operating margins. The growth of the private sector would improve job creation and close the citizens-government trust deficit. The fact that the CBN's Purchase Managers Index (PMI) has declined for two consecutive months and is below 50 (48.9 as of November 2024) shows the pressure under which manufacturers operate.

The federal government would improve its fiscal situation by selling down its idle public assets and ***securitising*** and ***financialising*** them, thereby improving foreign reserves and relieving pressure on the domestic debt market. This would reduce the cost of public and private sector borrowing and bring down domestic inflation without getting caught in what economists' call 'the impossible trinity' or 'policy trilemma'. The government can use two clever policies to solve three complex challenges.

To Unlock prosperity, Proshare economists insist that the fiscal authority would be remiss to repeat the old things and expect different results. As physicist Albert Einstein was known to have remarked, one cannot solve a problem at the same level of thinking that created it. In this respect, the fiscal and monetary authorities must work from imagination rather than memory. The conventional and orthodox is good as long as the problem is orthodox itself. ***However, where problems wear unique designs and patterns, insisting on orthodoxy is not clever. The light bulb is not the product of the continuous improvement of the candle.***

The analysts believe that a whole-of-government approach to problem-solving would be the most pragmatic in present times. The communication within silos amomngst ministries, departments, and agencies (MDAs) is a recipe for chaos. The administration requires policy sequencing and integration into a measurable and fairly comprehensive national input and output matrix. The policy performance matrix/template must be agile, flexible, and predictive. A US$1trn economy reflects low ambitiousness. Nigeria's GDP can be five times this figure through clarity of purpose, fiscal and monetary policy design, strategic trade positioning, taking advantage of international patents (IPs), copyrights, trademarks, and trade secrets/industry design. In other words, an advantage can be taken from what has become known as the upper ends of the competitive 'smile curve'.

In summary, Nigeria in 2025 requires fresh thinking, a new vision, and a more precise purpose. To meet these thought leadership propositions, it is time to sequence policy actions in a measurable and monitorable manner that enables dynamic adjustments and periodic impact reviews. Nobody, including nations, succeeds without templates that have clarity, integrity, and consistency. The success of the future starts from planning today; the careful preparation for the arduous journey is just as necessary as the destination; good politicians/public officers plan, but brilliant politicians/officers prepare and deliver execution. In 2025, to unlock prosperity, the Nigerian economy needs brilliance.

List of Charts, Tables and **Illustrations.**

List of Charts

List of Tables

List of Illustrations

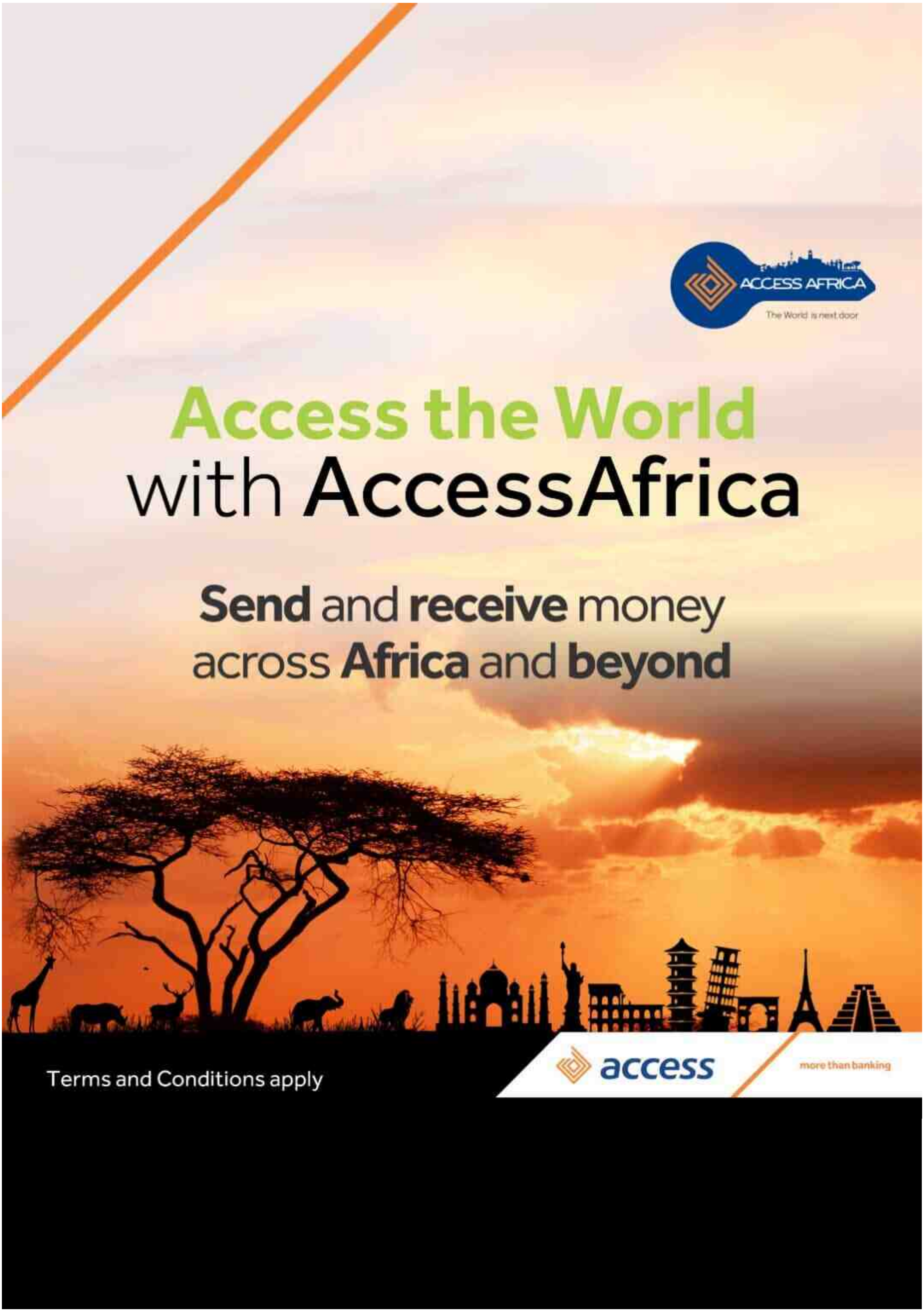
Related Links & **References.**

Related **Items.**

1. Proshare's 2021 Review and 2022 Outlook - Economy
2. Proshare's 2022 Review and 2023 Outlook - Economy
3. Proshare's 2023 Review and 2024 Outlook – Economy
4. Proshare's NCM - 2024 Review and 2025 Outlook
5. World Economic Outlook October 2024
6. Nigeria Takes Up New Ministers as Equity Investments YTD Returns Soar and CBN Guides BDC Operations
7. Monetary Factors as Drivers of Nigeria's Inflation over the Years: Of Causality or Correlations
8. Nigeria Capital Markets: The Age of AI, Beyond Distributed Ledger Technology
9. Report: The Case for A Nigerian Windfall Tax: Addressing the Nuances, Concerns and Governance Gaps
10. The Nigerian Household as a Denominator of Government Policy Actions; The Pains of Making Ends Meet
11. Tinubu's $1 Trillion Economy Promise: Renewed or Delayed Hope?
12. The Quest For A US$1trn Economy: Roles of Insurance and Pension Sectors
13. Socioeconomic Scorecard of Nigerian States
14. CEO Remuneration Report 2024: Sectoral Analysis of CEO Pay Packet
15. Dangote Refinery Set to Become Regional Oil Hub as MPC Contemplates MPR and FGN Savings Bonds Take a Tumble
16. Analysts Assess Bilateral Agreements for FDI with Indonesia as Food Inflation concerns Unsettle Consumers
17. XVI BRICS Summit: Strengthening Multilateralism for Just Global Development and Security
18. Proshare Tier 1 Banks Report 2024 Presentation Slides
19. Proshare's 2024 Economists' Conference to Discuss Policy Crossroads: The Choice Between Strangulation and Expansion
20. Ayo Teriba Recommends an Asset-Centre Approach to National Economic Growth
21. What to Expect from The Economic Associates Q3, 2023 One-Day Conference on Nigeria's Economic Prospects
22. Dr Ayo Teriba Reiterates Why Nigeria Needs to Securitise Its Assets
23. Nigeria's Economic Crossroads: FDC Whispers – November 19, 2024
24. Headline Inflation to Rise Again But at a Slower Pace - FDC Economic Splash November 2024
25. Not All that Glitters is Gold: Taking Official Data with a Pinch of Salt - LBS EBS Sept 2024
26. CFG Advisory Proposes a Resolution Trust SPV Backed by Legislation Within DMO Framework; Advises Against Illegal Securitisation
27. The CFG Advisory - The Naira Devaluation Rate Impact on the Economy
28. Keynote Address on CBN - Olayemi Cardoso Governor
29. 2024 PSRG-Richardson HSSE Forum: Unlocking Economic Prosperity in Nigeria - Bridging the Gaps - Awoyemi
30. 2024 Year-End Outlook: We Have a Reform Fatigue Quagmire
31. Leveraging Digital Economy and Youth Empowerment for Sustainable Job Creation in Nigeria: Issues, Challenges and Opportunities
32. Growing Around "The Big Squeeze" - The Role of Intelligent Consumer Data & Understanding Cycles
33. This Time is Different: There is a Clear Way Forward for the Nigerian Economy – Ayo Teriba

34. Igboro ti Daru: Governance, Leadership, Ethics - How To Build A Thriving Nigerian Economy
35. Confronting the Crisis of Confidence in the Economy – Olufemi Awoyemi
36. Tinubu: No Place to Hide!
37. The Rapporteurs Report on Policy Crossroads: The Choice between Strangulation and Expansion
38. Nigeria Macro Outlook 2024: The Path from Stagflation to Growth. CFG Advisory
39. CFG Advisory Proposes a Resolution Trust SPV Backed by Legislation Within DMO Framework; Advises Against Illegal Securitisation
40. The CFG Advisory - The Naira Devaluation Rate Impact on the Economy
41. Report: Nigeria's Post COVID-19 Economic Outlook – Ayo Teriba
42. National Financial Strategy and the Wealth of Nigeria – Ayo Teriba
43. Unlocking Liquidity in Nigeria – Ayo Teriba
44. FGN Securitization of Ways and Means: The Gains, the Violations, Implications for Bank CRR and the Likely Outcomes
45. LBS Executive Breakfast Session – End Bad Governance – LBS/FDC
46. From Death Trap to Debt Trap - Journey to Economic Salvation or Stagflation – LBS/FDC
47. Nigerian Economy on the Brink - Adapt or Collapse? – LBS/FDC
48. 12 Months After Reforms: Breaking Out or Breaking Down? – LBS/FDC
49. Political Imponderables - LBS Executive Breakfast Session – April 2024
50. Naira Defying the Laws of Gravity – What Goes up Can Go Higher- LBS Executive Breakfast Session – March 2024
51. Is it Lights out for the Naira or a New Beginning? - LBS Executive Breakfast Session – February 2024
52. President Tinubu Inaugurates Presidential Economic Coordination Council (PECC), Launches Economic Stabilisation Programme
53. Nigeria's Economic Challenges Highlight the Importance of Post-Election Policies
54. Nigeria's GDP Growth in Q2 2024 Rises to 3.14%, Despite Fiscal Bottlenecks
55. H2 2024 Macroeconomic and Financial Market Outlook
56. The Nigerian Household as a Denominator of Government Policy Actions; The Pains of Making Ends Meet
57. Oil Sector Analyst Calls for the Restructuring of NNPCL from Government-Owned to a Market-Driven Entity
58. Making a New Nigeria: Welfarist Policies and People-Centered Development – Akinwunmi Adesina
59. Tony Elumelu Harps on High-Performance Environment, Culture of Excellence for MOFI to Unlock Value from Nigerian Assets and Enterprises
60. The Nigerian Economic Crisis: Before It Is Too Late – Prof Ekpo
61. CBN Releases Inflation Expectations Survey Report for July 2024
62. Economists Note a Persistent Rise in FGN Fiscal Deficit in April 2024
63. PSCE Growth Slows Down to N73.1trn in June 2024
64. The Failure of Minimum Wage Hikes: An Analysis for Public Policymakers
65. CBN's Re-introduced Technical Reports Validate Proshare's Longstanding Position
66. Purchasing Managers' Index (PMI): Private Sector Activities Contracted to 49.2 in July 2024
67. President Bola Tinubu and the Ides of Time: What a Difference a Year Makes
68. Nigeria's GDP Growth in Q2 2024 Rises to 3.14%, Despite Fiscal Bottlenecks
69. The Pains of A Windfall Tax: Appraising the NASS's Financial Act Amendment
70. Windfall Tax: Getting the Economy to Work for All – Femi Otedola
71. The Imposition of Windfall Tax on Banks - A Call for Consultation
72. Oil Theft Phenomenon: Impact on Economy and National Development
73. NESG's Annual Economic Summits – Scrapping The Old For A Fresh Economic Charter
74. How Nigeria's Domestic Dollar Bond Could Strap Up the Economy

75. Domestic Macroeconomy: Bittersweet Taste as Capital Inflows is Set to Hit a Five-Year High
76. Nigeria's April 2024 Inflation Rate Tests CBN's Orthodox Monetary Policy
77. Unwrapping CBN's February MPC Decisions: Navigating the Economic Gains, Pains, and Uncertainties
78. Of A CBN Governor's Speech and A Country's Growing Realities
79. Nigeria's Fast-paced Proposed CBN Reforms: The Good, The Bad, and The Ugly
80. Understanding the CBN's Financial Statements: From Debt Headaches to Reserve Migraines
81. The Nigerian Economy 2024 - One Year After - Promises, Policies & Announcements
82. NESG 2024 Macroeconomic Outlook - Economic Transformation Roadmap: Medium-Term Policy Priorities
83. Nigeria Economic Outlook 2024 – PwC Report
84. FSDH Economic Outlook 2024: GDP Growth Rate Expected to Average 2.9% in 2024
85. FDC's LCCI 2024 Economic Outlook: Building Economic Resilience in 2024
86. FDC Economic Outlook 2024: Investment Opportunities and Risks
87. Meristem 2024 Full Year Outlook - Setting Sail for Gradual Recovery
88. PEBEC 2024 Outlook
89. Nigeria Macro Outlook 2024: The Path from Stagflation to Growth
90. Nigeria: 2024 Economic Outlook - Sailing Through Troubled Waters
91. AEC's 2024 Outlook Report
92. 2024 Outlook – Stable but Difficult as Debt Flattens at Higher Levels, Growth is Muted
93. World Growth Outlook for 2024 Deteriorates as China Risks Rise
94. Keynote Address on CBN - Olayemi Cardoso Governor
95. Nigeria's Fast-paced Proposed CBN Reforms: The Good, The Bad, and The Ugly
96. Nigeria's 2023 Budget Implementation Report, 2024 Budget and the Troubled State of Economic Assumptions
97. Nigeria's New Tax Gamble: Avoiding Fiscal Boobytraps and Finding Quick Wins
98. The Reality of Delisting in Nigeria's Bourse: From Negativity to Prudent Judgment
99. CBN's Silence on November 2023 MPC Meeting Raises Signaling Concerns for Nigeria's Financial Market
100. Nigeria's Foreign Reserve Crisis: A Second Take on JP Morgan's Outlook
101. Understanding the CBN's Financial Statements: From Debt Headaches to Reserve Migraines
102. NESG's Annual Economic Summits – Scrapping The Old For A Fresh Economic Charter
103. 29th Nigeria Economic Summit: President Tinubu Assures Private Sector That All FX Forward Contracts Backlogs Will Be Cleared
104. 2024 Proposed Budget: Another Increase in Budgetary Expenditure
105. Budget 2024: FG Targets 21% Inflation Rate and Crude Oil Production Level of 1.78mbpd
106. FG to Discontinue Budgetary Allocations to Professional Bodies and Councils from December 2026
107. Nigeria Agenda 2050; Can We Walk the Talk?
108. President Buhari Launches 2050 Nigeria Agenda Development Plan
109. US$800m Palliative: Enough to Cushion Subsidy Removal Aftermath?
110. Finding a Way Out of Nigeria's High Debt Costs - Ayo Teriba
111. Nigeria's Growing Budget Deficit
112. How Weak Governance Could Affect Nigeria's 2021-2025 National Development Plan
113. National Development Plan (NDP) 2021 - 2025 Volume I
114. Nigeria's Medium-Term National Development Plan (MTNDP) - 2021-2025
115. Nigeria – How to Win


ACCESS AFRICA
The World is next door
Access the World
with AccessAfrica
Send and receive money
across Africa and beyond
Terms and Conditions apply
access
more than banking

Advice To Users of this **Report.**

Proshare, founded in 2006, is a trusted professional practice and financial information hub dedicated to serving as a critical bridge between the markets, investors, regulators, and stakeholders. By delivering credible, reliable, and timely engagements, we assist the marketplace to shape thought-led conversations premised on evidence-based insights that hold the firm accountable collaboratively.

Practice Ethos and Disclaimer

Proshare does not guarantee any results or investment returns based on the information contained in this report. Although we have used our best efforts to provide the most accurate information, we do not promise verbally or in writing that you will earn a profit when or if you use the information contained therein and/or take the actions that might have been prescribed here by the author or our analysts, any reliance you place on our content for decision making is at your own risk Reports often contain complex technical language, kindly seek expert analysis or expert opinions to help interpret the findings accurately. Context is key, and understanding is essential to grasp the report's true implications. We encourage our discerning readers to seek additional education and insights as you navigate the complexities of the report. As consumers of news and information, we play a role in responsible reporting, be cautious of spreading unverified or misleading information about the report's contents or corporate entities mentioned in the report.

Copyright

Creation Date

This report was published on December 20, 2024, and is based on the best publicly available information at that time. The PDF version was created on December 18, 2024. For comments, feedback, and updates, kindly send us an e-mail via **research@proshare.co**. Thank you.

Teslim **SHITTA-BEY**
Managing Editor/CE

Tosin **IGE**
Head of Research

Contacts.

Editorial Team:

This report was put together by the Proshare Impact Research and Market Intelligence team led by Teslim **SHITTA-BEY**, Managing Editor/Chief Economist. Production of the report put together by **Proshare** Graphics.

Team **Members**

Tosin **IGE** - *Head, Research Services*
Ademidun **SHOGO** - *Head, Corporate Analysis*
Terver **AUDU** - *Macroeconomic Analyst*
Kolawole **FOLUSHO** - *Microeconomic Analyst*
Phebe **OGEDE** - *Economist*
Bright **ANAYO** - *Research Support*

Content **Support**

Ottoabasi **ABASIEKONG** - *Team Lead, News*

For further details, **contact:**

Teslim **SHITTA-BEY**
teslim.bey@proshare.co

Tosin **IGE**
research@proshare.co

Oluwadara **ONIOSUN**
counsel@proshare.co

Olajumoke **ADEYEYE**
business@proshare.co

Plot 590b, Lekan Asuni Close,
Off Toyin Omotosho Street,
Omole Phase 2, Isheri Olowora
Ikeja, Lagos, Nigeria **PC: 105102**
Tel: **0700 – PROSHARE**
E-mail: **info@proshare.co**

www.proshare.co
+234 902 407 5284
@proshare
Proshare.co
proshare.co
Proshare.co

Market Intelligence.

Impact Research.

Digital Media.

Strategic Advisory.

Stakeholder Relations.

Recent **Reports.**

Evaluating Tier 1 Banks:
The Making of the Class of 2024.

Nigeria's 2024 Economic Outlook Report:
Creating Hope by Numbers and Strategies.

Nigerian Capital Market 2024 Outlook Report
Working Towards a Fit-for-purpose Capital Market: Issues, Insights, and Strategy.

Reassessing Tier 1 Bank: The New Class of 2023.

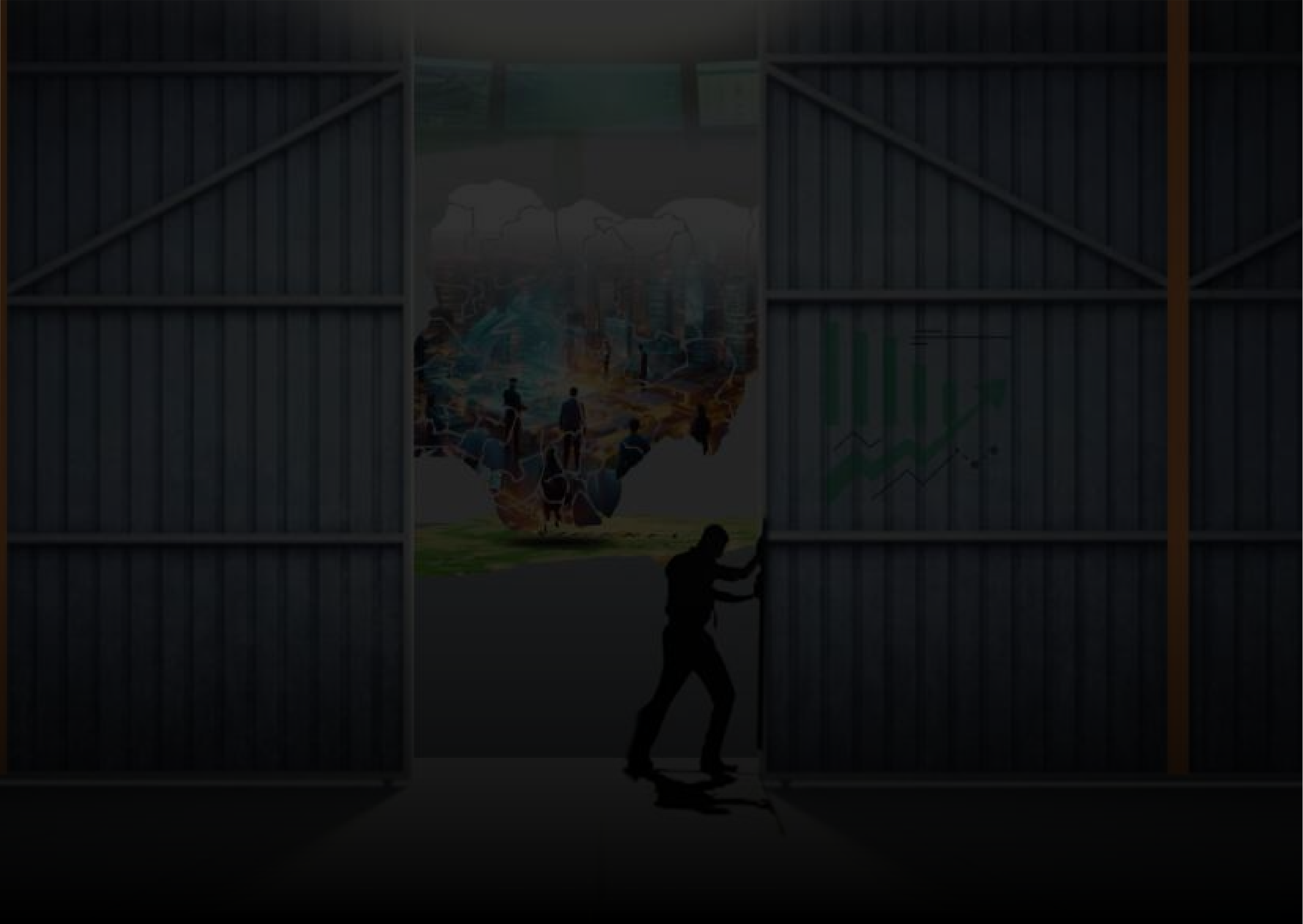
The Nigerian Online Trading Portals Ranking Report 2023 - An Eye on the **Capital Markets Digital Future; Matters Arising.**

How CEOs Intend Fixing the - **Future of Work.**

Between NDIC and AMCON:
Recalibrating Regulatory Roadmaps.

Anatomy of Crude Oil Theft in Nigeria: **Understanding the Graft, Impact and Implications.**

Nigeria's Banking Industry:
The Case for Redefining Tier 1 Banks.



Proshare.

Plot 590b, Lekan Asuni
Close, Off Toyin Omotosho Street,
Omole Phase 2, Isheri Olowora
Ikeja, Lagos, Nigeria **PC: 105102**

0700-PROSHARE
Info@proshare.co
www.proshare.co

@proshare proshare.co

Economic & Market
Intelligence UNIT.