

Prof. 'Biodun Adedipe, Ph.D., F.CIoD, FCIB, FERP, FICBC, FICA, FCE

Professor of Practice, James Hope University



- Prof. Adedipe is the founder and Chief Consultant of B. Adedipe Associates Limited (BAA Consult). With over 45 years of post-graduate work and professional experience in university teaching, investment banking, project finance, management and financial consulting as well as leadership in business and not-for-profit organizations.
- 'Biodun has had an illustrious career that took him through the University of Lagos, Enterprise Consulting Group, the World Bank (Africa Region), International Merchant Bank Plc, and First City Monument Bank Plc.
- He received his Doctorate degree in Industrial Economics (specializing in Corporate Finance) from the University of Lagos in 1989 and B.Sc. in Economics (First Class) from the University of Ife (now, Obafemi Awolowo University, OAU) in 1980, and bagged several awards in the process, including Sir Adam Thomson scholarship as visiting doctoral student to the University of Sussex, UK (1984).
- He is a member of several respected professional bodies and membership associations, including the Chartered Institute of Directors, Nigeria (Fellow & Council Member), Chartered Institute of Bankers of Nigeria (Fellow), The Nigeria Economic Society (Life Member), American Economic Association (Member) and Lagos Chamber of Commerce and Industry (Council Member and Chairman, Economics & Statistics Committee).
- 'Biodun founded BAA Consult in February 1993, and he was responsible for charting and managing the firm's strategy and activities since operations commenced in March 1994 up until May 2024 when he retired from the firm.
- He sits on the boards of a couple profit-seeking and not-for-profit organizations in diverse capacities as Chairman, Non-Executive Director and Independent Director.

Introduction

Perspectives and Premise



- ❑ Conceptually, from **reform** to **resilience** emphasizes **deliberate and strategic changes** to enhance the health and sustainability of societies.
- ❑ No doubt, the Nigerian economy was **in distress** before the ongoing reforms were initiated in May 2023.
- ❑ Typically, when an economy or corporate entity is in crisis that is **disruption-induced** or **self-inflicted** (by the choices made or the sequencing of the policy actions), the way out is sequenced as initiatives that lead to “**survival**”, “**stability**” and “**growth restart**”.

- ❑ With the Covid-19 pandemic came what was commonly described as the new normal of **VUCA**:

Volatility: Uncertainty : Complexity : Ambiguity

- ❑ Policy makers responded to this in diverse ways that reflected the peculiarities of their countries, starting from dealing with the trigger (a health crisis) and then the subsequent economic, security and humanitarian crises.

- ❑ The next normal that was envisaged in 2021 has turned out to be **BANI**:

**Brittle : Anxious : Nonlinear :
Incomprehensible**

From Reforms to Deeper Trickle-down

- Issues in focus:
 - Faster growth
 - More inclusive growth
 - Lower inflation

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Pre-Reform Environment

Domestic and International



Major Global Disruptions (2021 to date)

The interdependence of economies in a globalized world has added to the frequency, intensity and impact of disruptions.

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Ukraine War

- Globally systemic (24.1%) in grains supply
- Tortuous negotiations - many conflicting interests
- Great lessons in supply chain disruptions

Macroeconomic Instability

- 9 ■ Trade tensions and realignments
- High debt levels
- Probability of AI-bubble burst
- Stability in weakness

Generative, Predictive & Agentic AI

- From descriptive to diagnostic, predictive and then prescriptive
- Redefining how business is done and impacting value created

Invasion of Venezuela

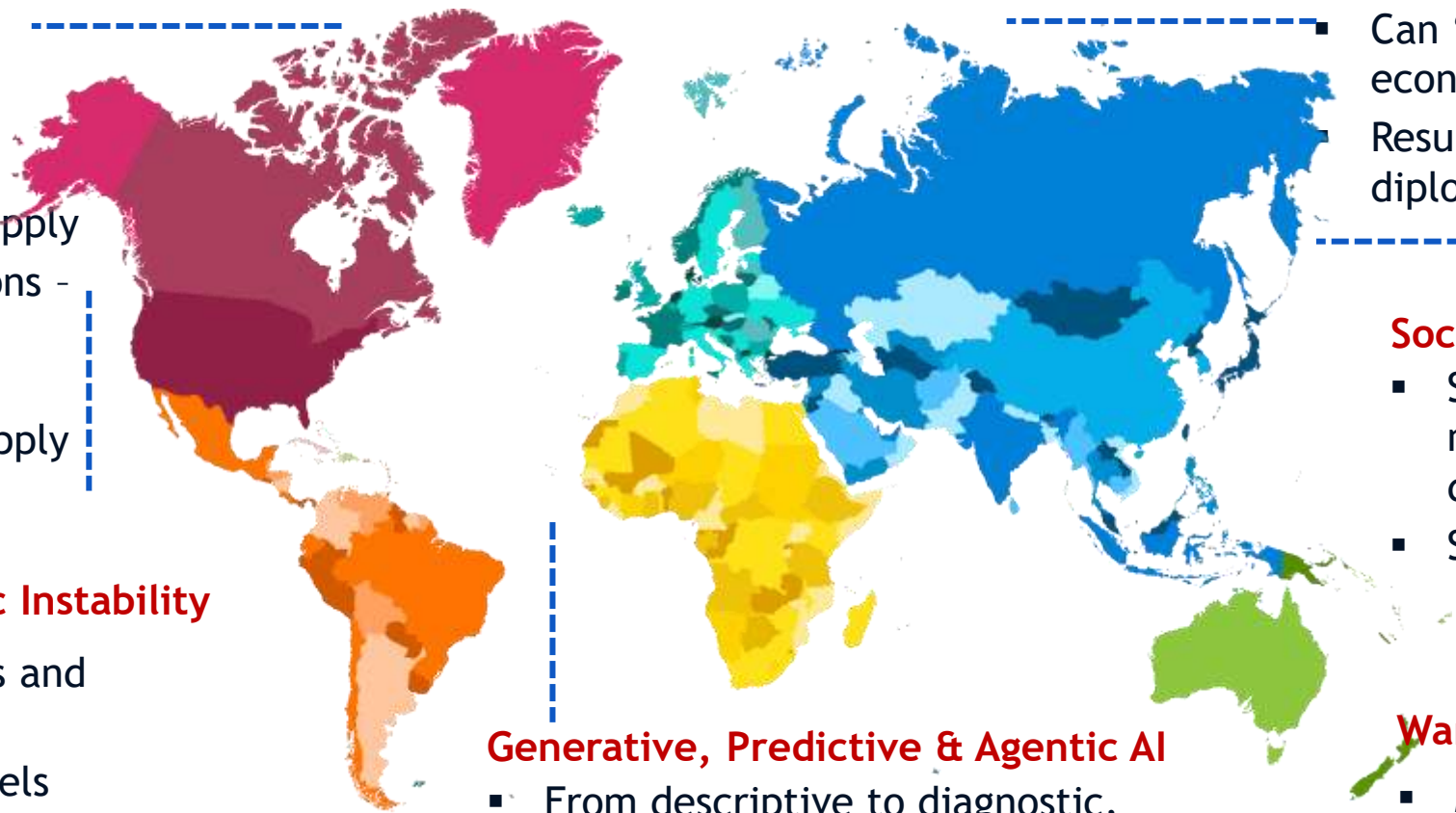
- Access to world's largest oil reserves (25%)
- Can "might" be "right" and economically rewarding?
- Resurgence of gunboat diplomacy

Social divisiveness

- Social media fans misinformation and disinformation
- Social media risk

War in Iran

- Middle-East turmoil
- Higher oil prices
- Hotter inflation
- Greater market uncertainty



Major Global Disruptions (2021 to date) (contd.)

Geopolitics

- From rhetorics to worrying military actions
- Weakening (hobbled) UN and its institutions
- Strengthening coalition of China, Russia and Iran

Climate Change

- Extreme weather, causing migrations and security challenges.
- Dampened enthusiasm with Trump 2.0

BRICS+

- Special tariff on members drives pursuit of USD alternatives in international transactions

Political Volatility

- “Springs” and uprising
- Deepening distrust of governments
- Election outcomes departing from the norm

10 Energy Transition

- Electromagnetic waves into energy
- Personal energy sovereignty



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- ❑ As at today, the central common challenge that the world is facing is:
 - ❑ **USA/Israel war on Iran!**
 - ❑ Now in its 117th day and showing promise of an imminent end.
 - ❑ Caused disruptions to the global supply of crude oil, refined petroleum products, LNG and fertilizers from the Middle East.
 - ❑ The narrative about the war has shifted severally!
 - ❑ Interpretation of the war pares countries into four as:
 - ❑ Resilient (independent and strong buffers)
 - ❑ Vulnerable 1 (dependent and strong buffers)
 - ❑ Vulnerable 2 (independent and weak buffers)
 - ❑ Highly Vulnerable (dependent and weak buffers).
 - ❑ There is growing concern that this could trigger **recession** in highly vulnerable economies and possibly further dampen the global economy this year.

- ❑ Global disinflation continued in January and February up until the breakout of the USA/Israel war on Iran that triggered inflationary pressures that made many central/reserve banks uneasy about monetary easing.
- ❑ Inflation rates ticked up in March/April 2026, compared to February:
 - ❑ USA 2.4% to 3.3% in March, 4.6% in April and 4.2% in May;
 - ❑ China 1.3% to 1.0% in March, 1.2% in April and May;
 - ❑ Germany 1.9% to 2.7% in March, 2.9% in April and 2.6% in May;
 - ❑ Japan 1.3% to 1.4% in March and April, then 1.5% in May;
 - ❑ India 3.21% to 3.4% in March and 7.2% in April, then 3.93% in May; and
 - ❑ UK 3.0% to 3.3% in March, and 2.8% in April and May.
- ❑ Most central/reserve banks decided to hold policy rates, being cautious and watching the inflation trends.
 - ❑ Return to rate cuts may not happen soon. Even the US Fed that POTUS hoped will flip held policy rate steady at 3.5% to 3.75% and signaled strongly that there will be no rate cut soon!
- ❑ There is also the impact on global economic growth in 2026, which was dampened in the April 2026 outlook of both the World Bank and IMF by 30 basis points to 3.1%.
 - ❑ Key risks are geopolitical tensions, energy shocks, financial vulnerabilities, structural challenges and policy responses.

Economic/Market Realities and the Drivers

June 2023 – May 2026

Reforms were Inevitable

- Economy was sluggish.
- Increasing unextinguished matured foreign obligations, including forward transactions and restricted airlines funds.
- Negative external balance.
- Weak external buffers.
- High inflation rate.
- Increasing fiscal imbalance. Huge ways & means advances by the CBN and sub-national salary arrears and other obligations.
- Weak sovereign and credit ratings.

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Nigeria After the Reforms

What the Data Says



Major Policy Shifts since May 2023

Unified Exchange Rates

Eliminate strange arbitraging and roundtripping opportunity.

EFEMS and FX Code

Fuel Subsidy Removal

Remove crippling annual waste of US\$10.7bn

Create environment for competition

Bank/Insurance/CMO Recapitalization

Stronger and more capable to fund US\$1tn economy

Business Environment

Rule of law, access to capital and level-playing ground.

O&G; Minimum Wage; Crude for Naira; Electricity Policy; LG Financial Autonomy

Fiscal Consolidation

Plug leakages, deploy technology and make GOEs more accountable
Expanded fiscal space at sub-national

Tax Reforms

The real game changer!
Capable of igniting regional competition (the secret behind Chinese economic renaissance)

Institutions

Nigerian Education Loan Fund
Consumer Credit Corporation
Recapitalized Bank of Agriculture
National Credit Guarantee Company Ltd.
Single digit interest rate mortgage loans
Proposed recapitalization of DFIs

Macroeconomic Realities, end-2024

GDP Growth Rate

2024: 3.38%

Best: AVG 7.97% (2001-10)
Worst AVG -0.18% (1981-90)

Period	Y-o-Y	Previous
Dec'24	24.95%	2.71% 2023

Exchange Rate- Official

₦1,535.82/\$

(31/12/2024)

50.1% value diminution in 2023
41.41% value diminution in 2024

Exchange Rate- Parallel

₦1,670.00/\$

(8.74% Premium)

39.51% value diminution in 2023
27.25% value diminution in 2024

Monetary Policy Rate

27.50%

(No change)

Period	M-o-M%	Previous
Dec'24	0.00%	27.50% Nov 24

Oil Production

1.34 mbd

(above average in 2021 to 2023)

Period	Y-o-Y%	Previous
Jan-Dec'24	6.34%	1.26 mbd Jan-Dec'23

Oil Price

\$74.72/bbl

Period 31/Dec/2024

Capital Importation

\$12.32 bn

Period	Y-o-Y%	Previous
2024	215.47%	\$3.91bn 2023

Inflation

34.8%

in Dec'24

Period	M-o-M%	Previous
Dec'24	-0.58%	34.6% Nov'24

Stock Index

102,926.40

(Y-T-D return 37.65%)
Period 31/Dec/24

Market Capitalisation

₦62.76 trn

(53.39% gain Y-T-D)
Period 31/Dec/24

FX Reserves

\$40.88 bn

persistent increase to the highest level since late November 2021 and setting a 3-year (38-month) peak
Period 31/December/24

Months Reserves Cover

10.47 months

Min Benchmark: 3 months of unimpaired liquid reserves

Macroeconomic Realities, end-2025

GDP Growth Rate

2025: 3.87%

Best: AVG 7.97% (2001-10)
Worst AVG -0.18% (1981-90)

Period	Y-o-Y	Previous
	14.5%	3.38% 2024

Exchange Rate- Official

₦1,435.76/\$
(31/12/2025)

41.41% value diminution in 2024
6.97% appreciation in 2025

Exchange Rate- Parallel

₦1,496.00/\$
(3.78% Premium)

27.25% value diminution in 2024
12.08% appreciation in 2025

Monetary Policy Rate

27.00%
(No change)

Period	M-o-M%	Previous
Dec	0.50%	27.00% Nov 25

Oil Production

1.46 mbd
(above average in 2021 to 2024)

Period	Y-o-Y%	Previous
Jan-Nov'25	8.96%	1.34 mbd Jan-Dec'24

Oil Price

\$63.42/bbl
Period 31/Dec/2025

Capital Importation

\$23.22 bn

Period	Y-o-Y%	Previous
2025	88.44%	\$12.32bn 2024

Inflation

15.15%
in Dec'25

Period	M-o-M%	Previous
Dec'25	-4.84%	14.45% Nov'25

Stock Index

155,613.03
(Y-T-D return 51.19%)
Period 31/Dec/25

Market Capitalisation

₦99.38 trn
(58.34% gain Y-T-D)
Period 31/Dec/25

FX Reserves

\$45.50 bn
persistent increase to the highest level since late September 2019 and setting a six-year (73-month) peak
Period 31/December/25

Months Reserves Cover

13.03 months
Min Benchmark: 3 months of unimpaired liquid reserves

Macroeconomic Realities, June 2026

GDP Growth Rate

Q1'26: 3.89%

Best: AVG 7.97% (2001-10)
Worst AVG -0.18% (1981-90)

Period	Q1'2025	Previous
May	3.13%	4.07% Q4'2025

Exchange Rate- Official

₦1,370.64/\$

(23/06/2026)

41.41% value diminution in 2024
11.8% appreciation in 2025
4.75% appreciation in 2026

Exchange Rate- Parallel

₦1,395.0/\$

(1.78% Premium)

27.25% value diminution in 2024
13.99% appreciation in 2025
6.81 appreciation in 2026

Monetary Policy Rate

26.50%

(No change)

Period	M-o-M%	Previous
May	0.00%	26.50% Mar 26

Oil Production

1.7 mbd

(below average for 2025, better than 2021 to 2024)

Period	M-o-M%	Previous
May'26	7.97%	1.48 mbd Apr'25

Oil Price

\$77.70/bbl

Period 23/June/2026

Capital Importation

\$10.37 bn

Period: Q1'2026

2025	2024
\$23.22	\$12.32bn
Y-o-Y: 83.87%	

Inflation

15.93%

in May '26

Period	M-o-M%	Previous
May'26	1.53%	15.69% Apr'26

Stock Index

240,743.19

(Y-T-D return 54.71%)
Period 23/June/26

Market Capitalisation \$

₦154.48 trn

(55.45% gain Y-T-D)
Period 23/June/26

FX Reserves

\$51.14 bn

Relatively high level, since February 2009 but less than 17-year peak of \$50.03bn on 11th March 2026
Period 22/June/26

Months Reserves Cover

12.39 months

Min Benchmark: 3 months of unimpaired liquid reserves

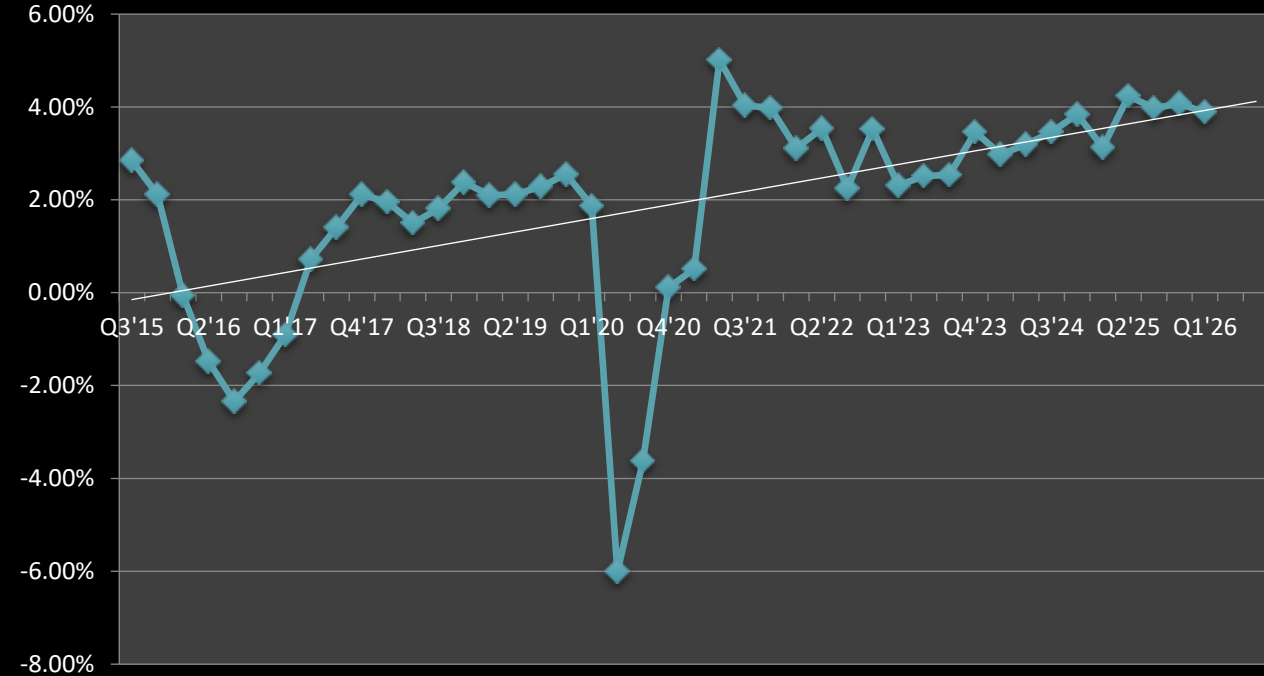
Global and Nigeria Economy Highlights

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- The revised baseline forecast for the world economy is growth of 3.1% in 2026.
- This mirrors the US/Israel war on Iran, front-loading ahead of tariffs, lower effective tariff rates, better but threatened financial conditions, and fiscal expansion in some major jurisdictions.
- Global headline inflation was expected to fall but now rising with the Gulf war while US inflation is predicted to stay above target.
- Downside risk from potentially higher tariffs, and elevated uncertainty and geopolitical tension persist.
- The CBN projected Nigeria to grow by 4.49% in 2026 supported by continued gains from broad-based structural reforms and a gradually easing monetary policy stance (CBN, 2026).
- The World Bank projects Nigeria's economy to record its fastest growth in more than a decade, at 4.4% growth rate in 2026 (World Bank, GEP and April 2026) now revised downward to 4.1%.
- The IMF upgraded Nigeria's 2026 real GDP growth forecast from 4.2% to 4.4% and dampened it to 4.1%, supported by ongoing government reforms and improving macroeconomic conditions (IMF, January/April 2026).

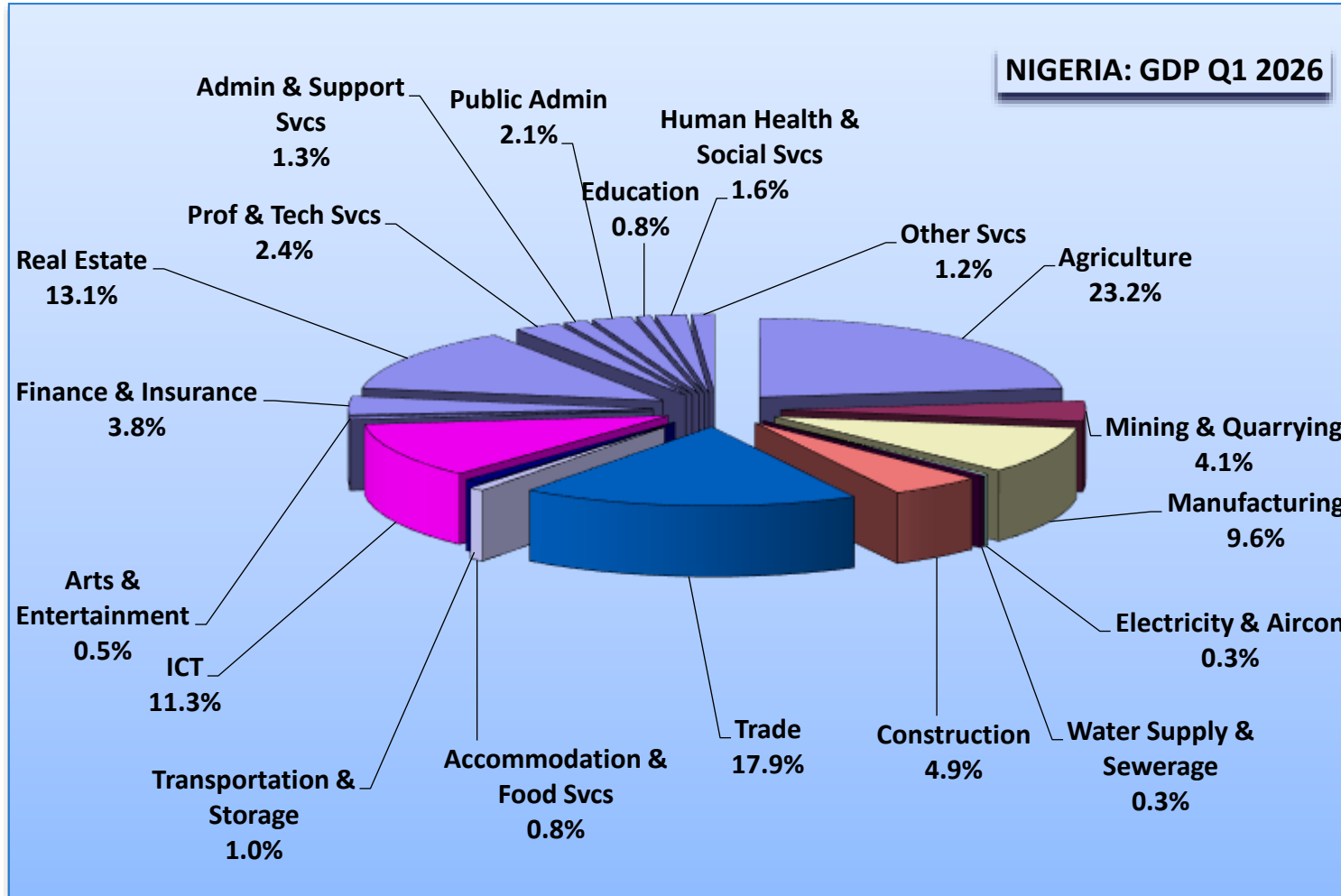
Nigeria: Real GDP Growth Rate (%), Q3 2013 - Q1 2026



- From the trend line (chart above), the economy has maintained steady growth.
- Still vulnerable to external shocks – oil market variabilities and investment dynamics.
- Strong case for diversified external sector.

Nigeria Macroeconomy: Q1'2026

(Sectorial Contributions to Real GDP)

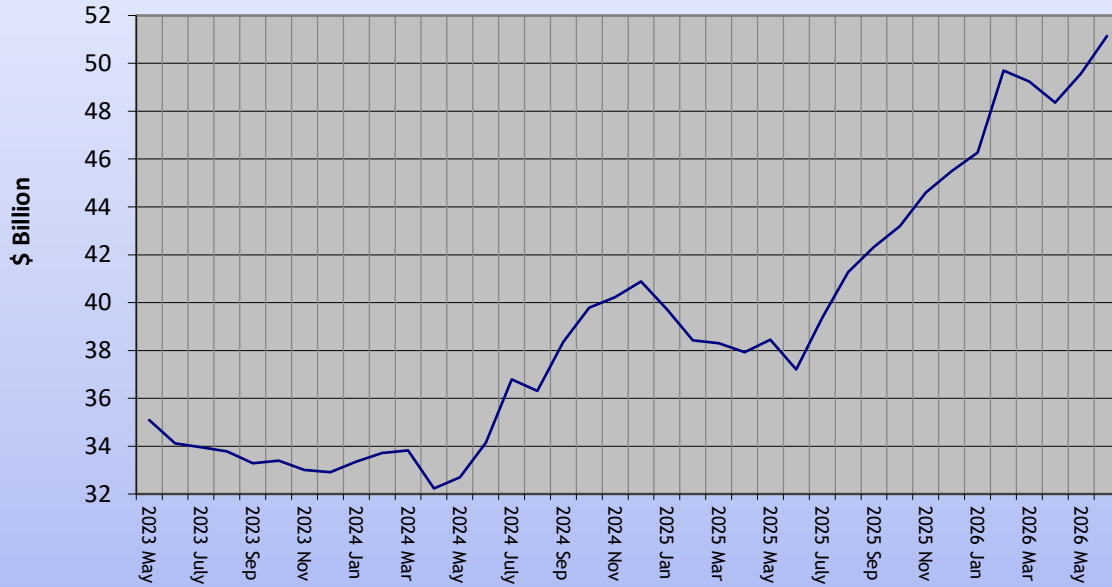


- The Nigerian economy is **diversified** and there are business opportunities in **every of the 19 sectors** that have 43 activity groups.
- Real GDP growth was **3.89%** in Q1'2026 compared to 3.13% in Q1'2025.
- **Crude Oil** accounted for 55.72% of foreign trade in 2025 down from 71.39% in 2024 but contributed 3.53% to real GDP in 2025 up from 3.38% in 2024. Oil was 3.92% of GDP in Q1'2026. This indicates that while oil remains significant in trade, the economy is gradually diversifying away from it.
- The services sector has surpassed agriculture to emerge as the largest contributor to GDP, with agriculture ranking 2nd and manufacturing 3rd.

Major Macroeconomic Indices

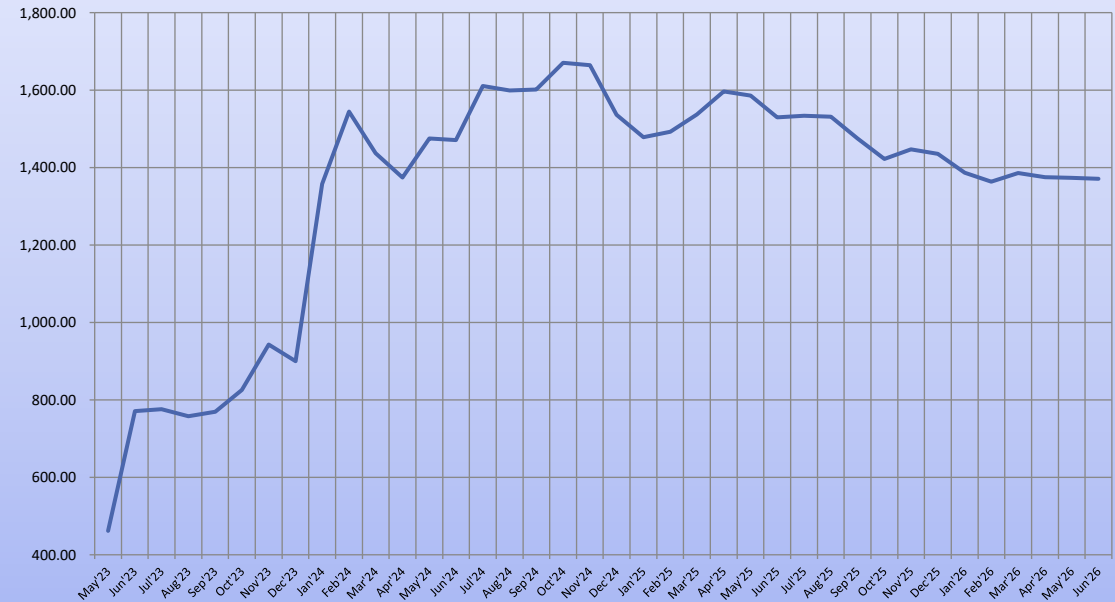


Nigeria: External Reserves , May'23 - June'26



External reserves at highest level since December 2008.

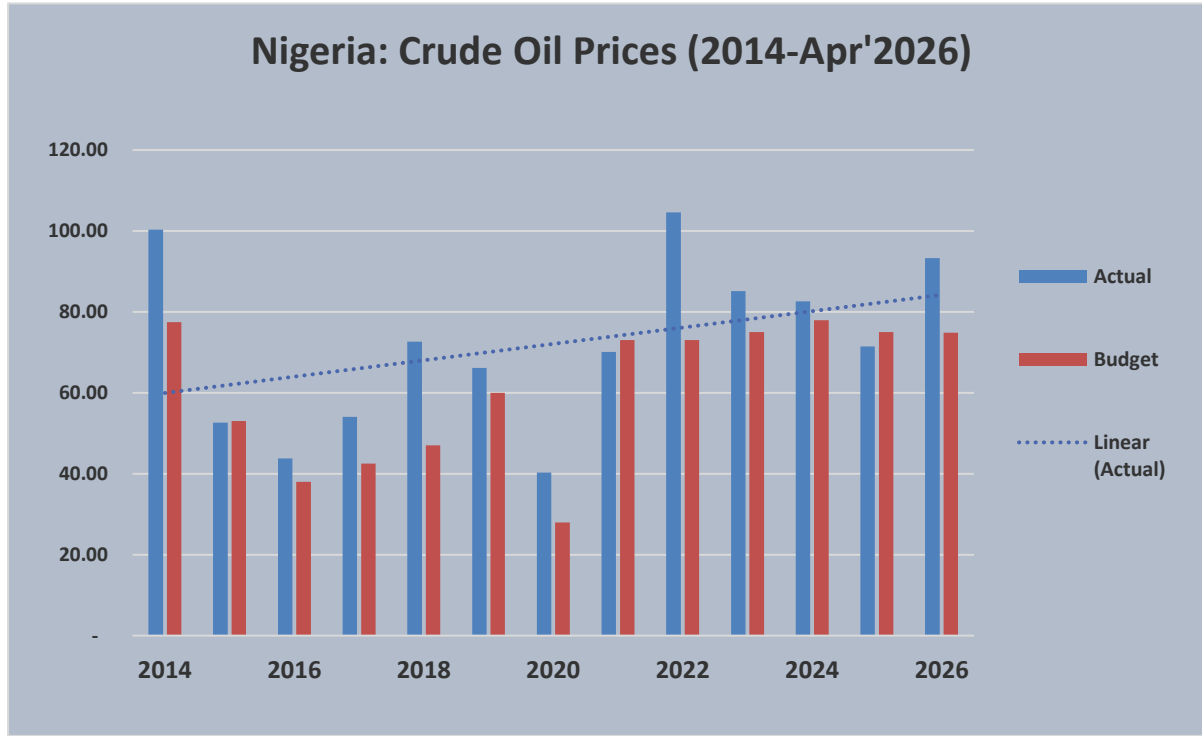
Nigeria: Exchange Rates, May'2023 - June'2026



Exchange rates have been relatively stable since November 2024.

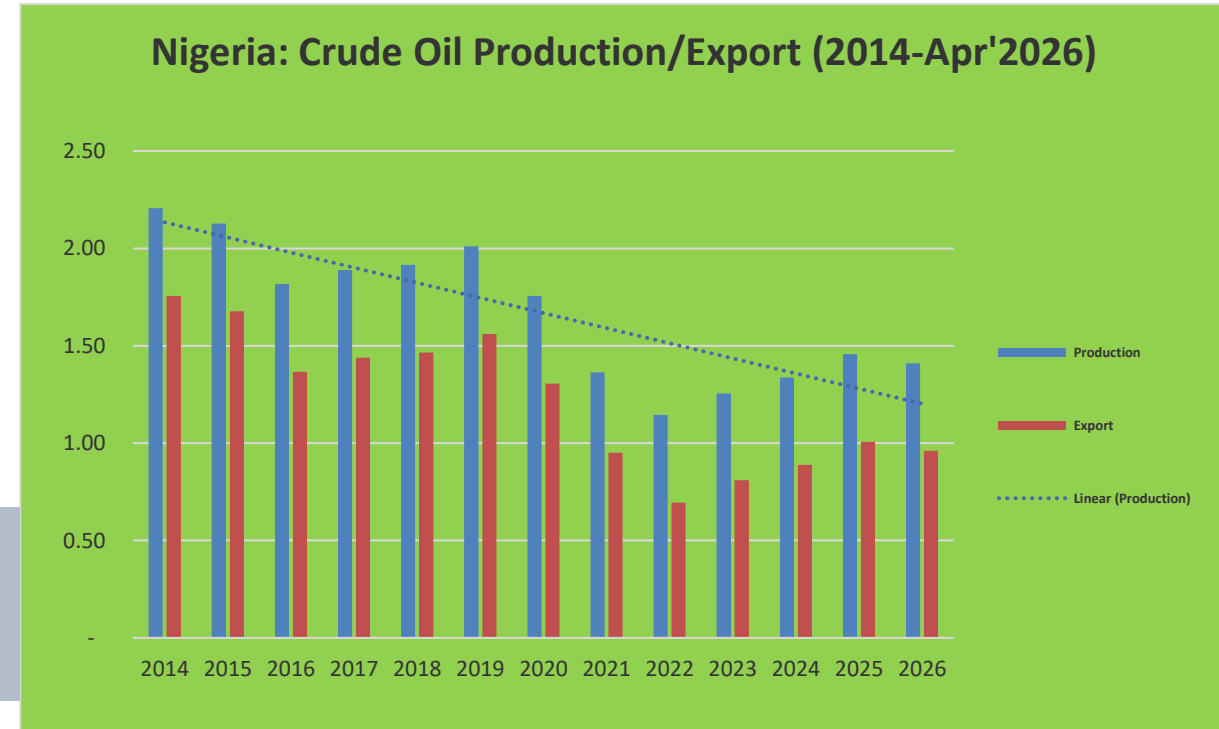
Major Macroeconomic Indices (contd.)

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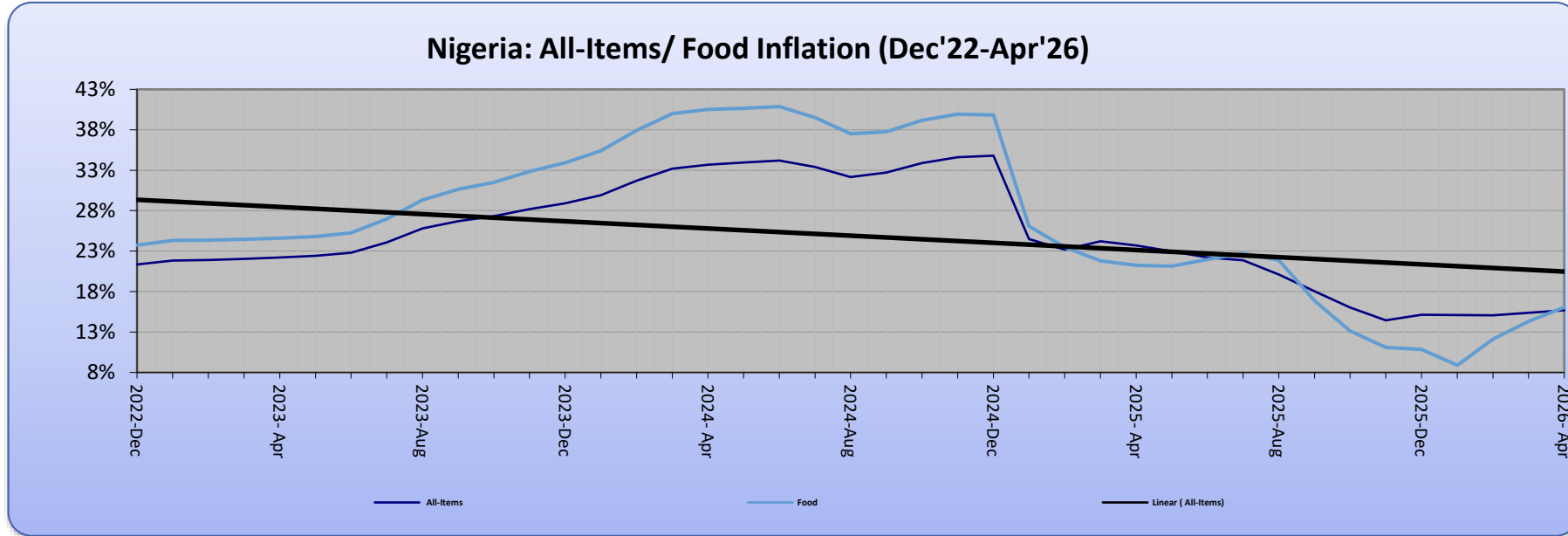
Crude oil prices have been on upward swing since the gulf conflict began on 28th February 2026.

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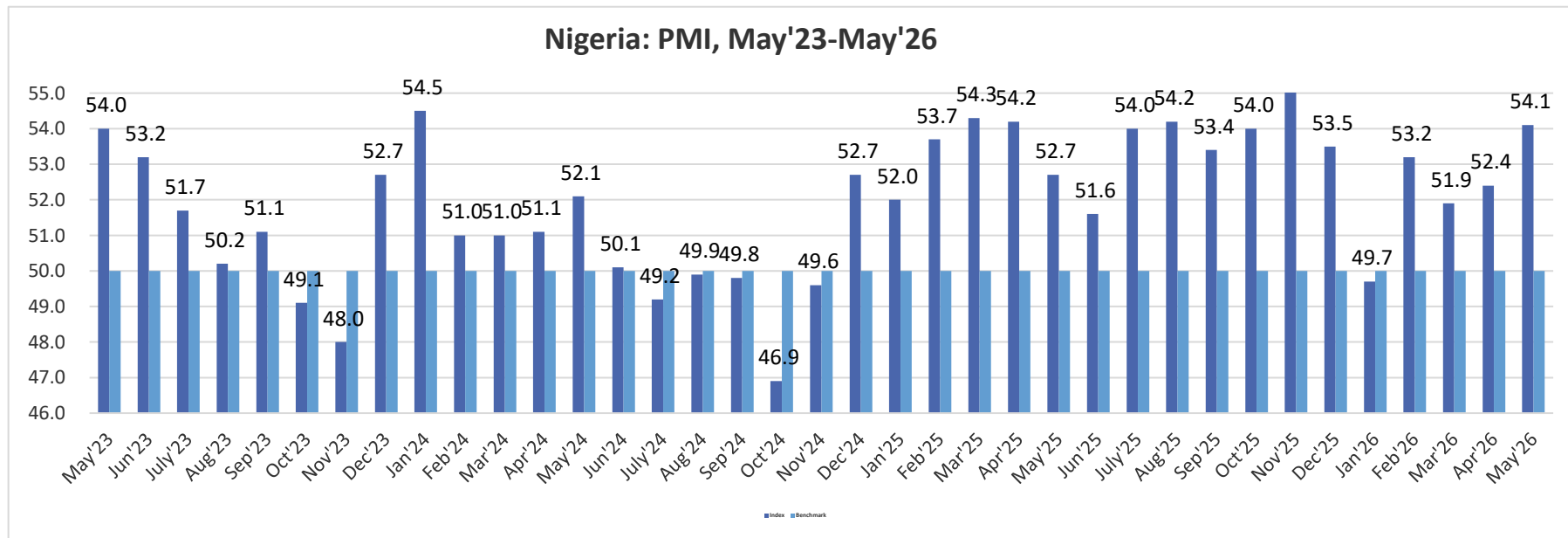


Oil production and export have recovered from the slump in February and steadily increasing March 2026.

Major Macroeconomic Indices (contd.)



Moderate increase since March 2026 despite the gulf conflict.



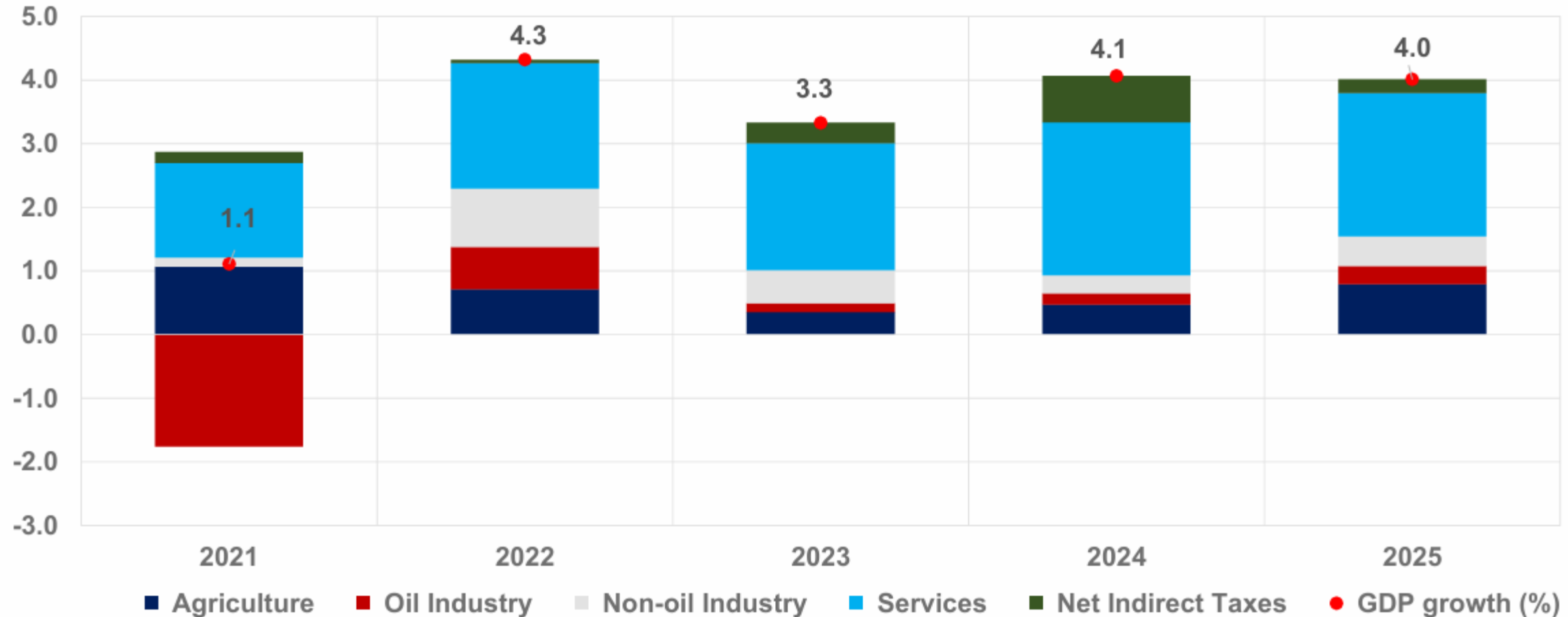
Following a stretch of 12 consecutive months from December 2024, business confidence slumped in January 2026 but recovered since February.

Some Comparisons

Indices	May 2023	May 2026	Remark
GDP (2010/2019 CBP; Naira' billion)	17,994.28 (Q1)	52,596.30 (Q1)	Improved
GDP (USD equivalent, billion)	38.97	38.30	Worse
GDP Growth Rate	2.51% (Q2)	3.89% (Q1)	Improved
Inflation Rate	22.41%	15.93%	Improved
External Reserves (\$' billion)	35.09	49.58	Improved
Exchange Rate (₦/\$)	461.76	1,373.25	Worse
Unemployment Rate	4.2%	4.9% (Q4'24)	Worse
Business Investment / Confidence (PMI)	54.0	54.1	Improved
Consumer Spending (Naira' trillion)	12.1	11.5 (Q4'24)	Weaker
Trade Balance (Naira' billion)	-758.00 (May'23)	4,142.17 (March'26)	Improved
Money Supply (Naira' trillion)	55.80	129.21	Worse
Wage Growth (Naira)	30,000.00	70,000.00	Improved
Stock Index	55,769.28	250,385.47	Improved
Market Capitalization (equities, Naira trillion)	30.37	160.91	Improved

The growth pick-up in 2024 was sustained in 2025, driven by services but with improvement across agriculture, oil, and manufacturing

Contributions to GDP growth (% pp)

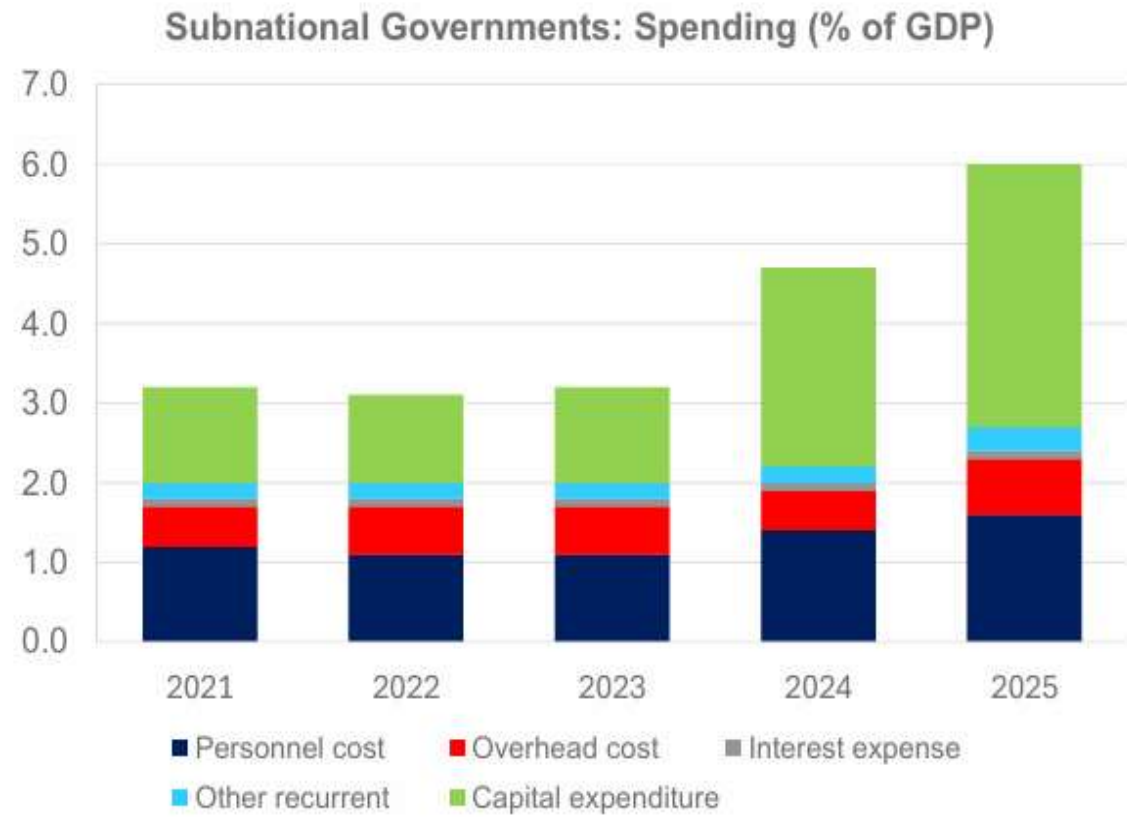
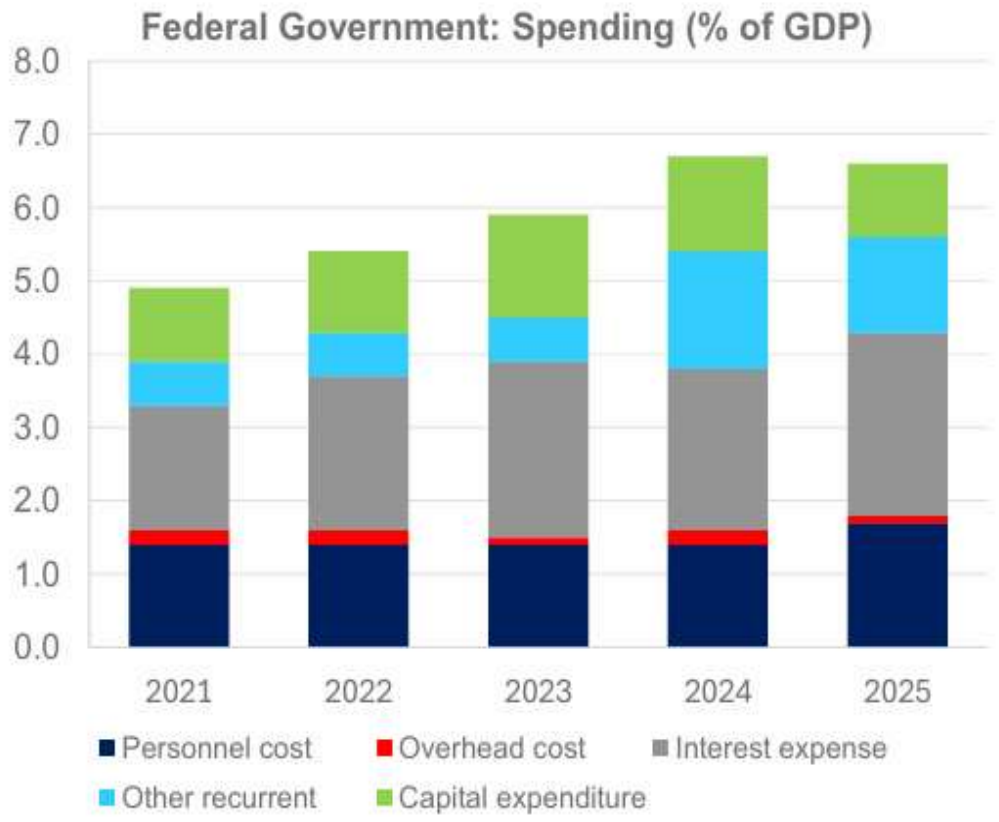


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Some Comparisons (contd.)

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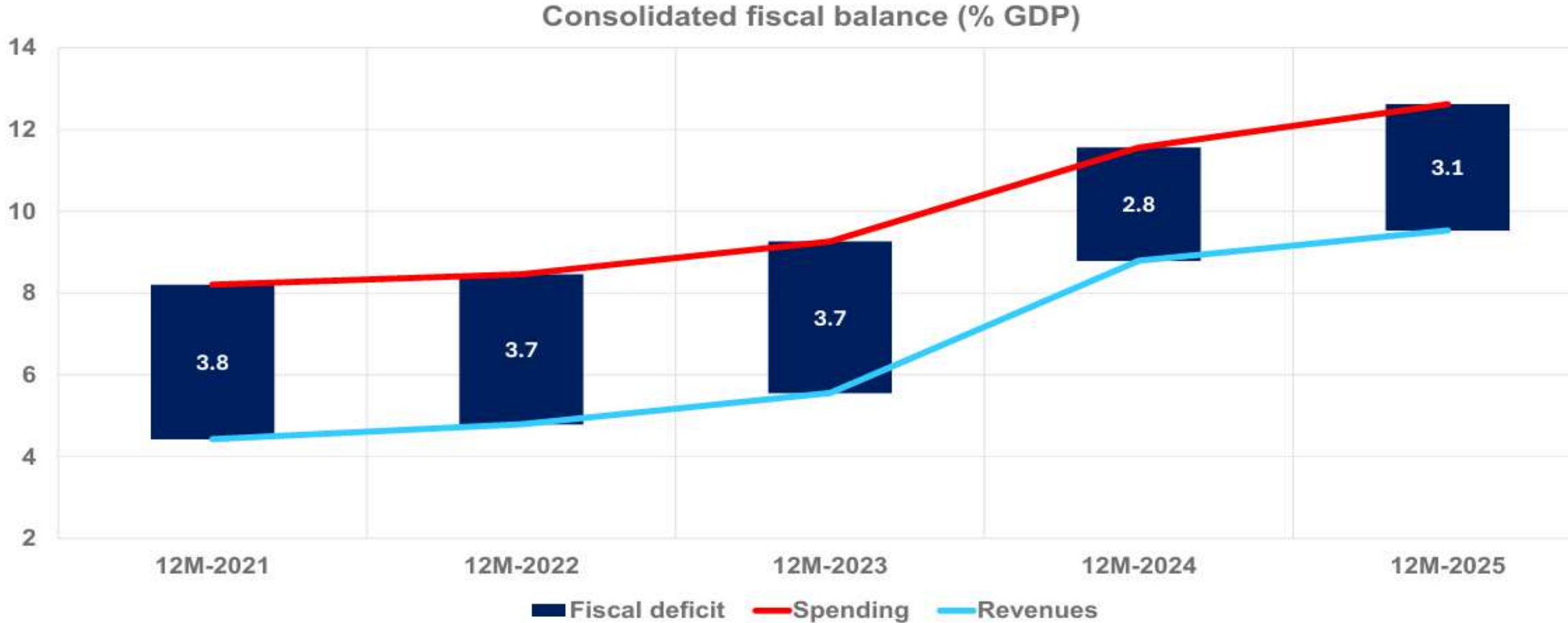
Source: OAGF, FAAC, State AFS and BIRS, NBS, World Bank.

Notes: (1) Other spending include FAAC deductions such as security expenditures, the Renewed Hope Ward Development Programme, the Presidential Metering Initiative, as well as spending from service-wide votes, and the Presidential Amnesty Programme, among others

(2) Subnational governments include SGs+LGs+FCT



As a result, the consolidated fiscal deficit of the Federation (FG+SG+LG) widened slightly, but remains below pre-2023 levels

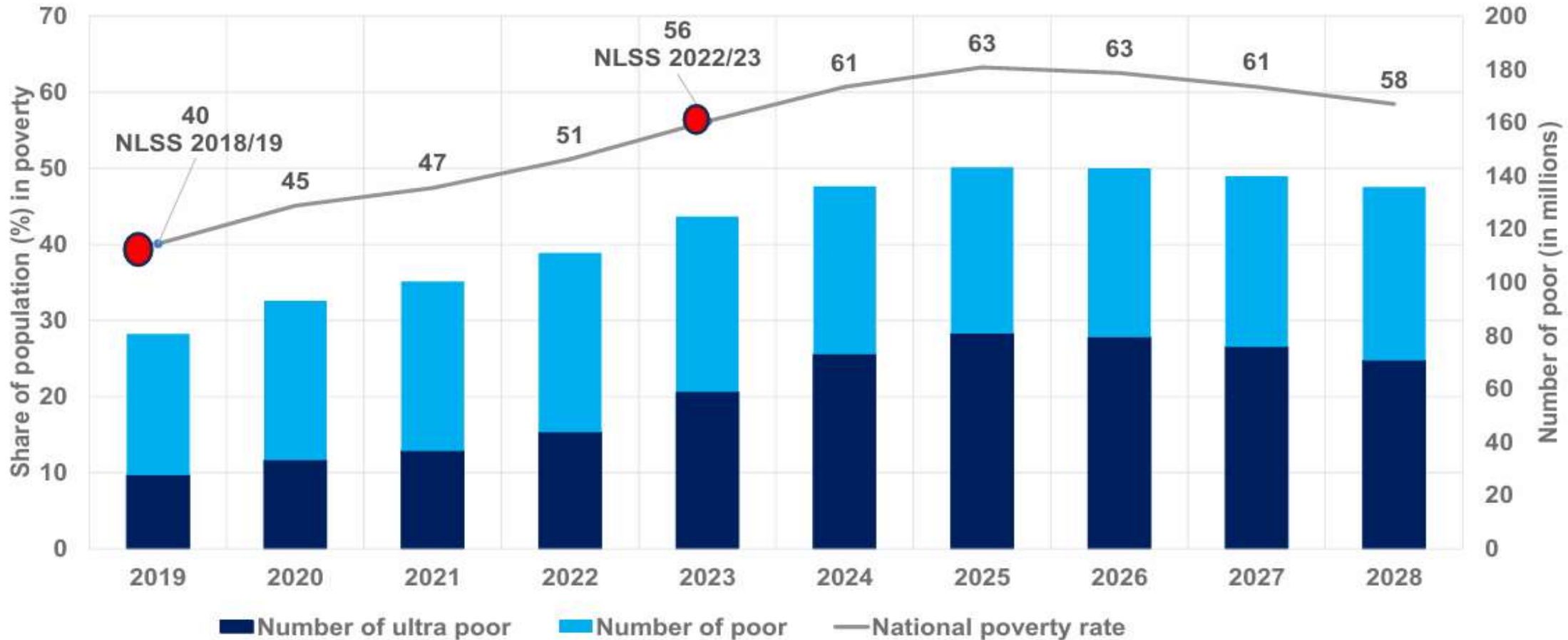


Source: OAGF, FAAC, State AFS and BIRs, DMO, NBS, World Bank.

Note: The consolidated fiscal position (FGN, States, and LGs) includes only interest payment as debt expenditure as amortization is below the line.

Source: World Bank, Nigeria Development Update, April 2026

Poverty remains high; bringing inflation down faster and boosting growth are essential for people to feel the benefits of reforms



Source: Lines are projections using NLSS 2018/19 and NLSS 2022/23; and dots are survey estimates. Poverty is defined using the national poverty line, constructed from a selected basket of essential food and non-food goods and services that reflect the average needs to maintain a minimum daily energy requirement. Ultra-poor are those unable to meet minimum caloric needs even if all expenditures were spent on food.

Note: Poverty estimates for 2024 and beyond have been revised from the previous NDU to reflect the re-referenced CPI data published by NBS in January 2026

Source: World Bank, Nigeria Development Update, April 2026

The saving grace for the Nigerian economy (resilience factors) include the following:

- ❑ Bouquet of reforms since May 2023 -- **sustained and confidence-inspiring**
- ❑ Domestic refining capacity – **crude oil and solid minerals**
- ❑ Growing supply of fertilizers to global markets -- **0.88% share in 2024 and projected as major player by 2028**
- ❑ Strong external reserves – **import bills cover and debt capacity**
- ❑ Stable and appreciating currency (in all market segments) – **policy guidance from CBN Governor “no devaluation in 2026!”**
- ❑ Positive business confidence -- **steady above 50 points**

Economic Outlook and Expectations

What and Where?

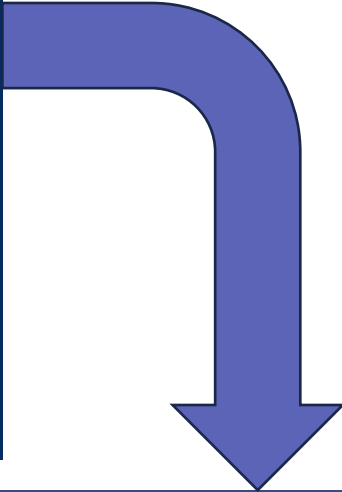


Government Direction: Renewed Hope Development Plan (RHDP 2026 - 2030)

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Deepen reforms and transformation:

- ❑ Economic diversification
- ❑ Industrialization and Manufacturing
- ❑ Revenue and Fiscal Reforms
- ❑ Monetary Policy and Exchange Rate Management
- ❑ Capital Market Development
- ❑ Job Creation and Poverty Reduction



Sectoral Focus:

- ❑ Energy and Agriculture
- ❑ Manufacturing and Trade
- ❑ Innovation and Digital Economy

2026 Growth outlook:

- ❑ World Bank / IMF 4.1%
- ❑ FGN 4.78%
- ❑ CBN 4.49%
- ❑ BAA 4.51%
- ❑ NESG 5.5%

Sovereign Debt

The Argument



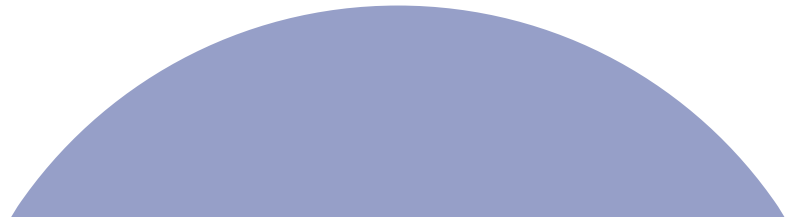
Necessary? Yes! But...

- ❑ It must be: Disciplined; Transparent; Productive; Accountable
- ❑ Critical questions to ask:
 - ❑ **What for?** Projects preferred, enabling monitoring and tracking value for money.
 - ❑ **What source and terms?** Concessional and long-term preferred.
 - ❑ **What's the source of repayment?** Self-liquidating or productivity enhancing.
 - ❑ **What metrics should we measure?** Diverse but most important of all is debt-service/revenue ratio.

Summary and Conclusion

Implications and Recommendations

-



“For every benefit there is a risk,
and for every risk there is an
opportunity.”

Robert Kiyosaki

American entrepreneur, financial educator and author of the popular book “Rich Dad Poor Dad”

The Nigerian Economy and the Disruptive Gulf Conflict

- ❑ There is no doubt that the reforms of the last three years are real, tangible **progress**.
 - ❑ The **trickledown** needs to be deepened.
- ❑ The time to new equilibrium can be shortened by **accelerated** and **wider-spread growth**, and continued efforts towards **single-digit inflation**.
- ❑ I must also mention that the key factor in all these is **stable exchange rate**.
 - ❑ The \$1 trillion dollar GDP aspiration.
 - ❑ Inclusive growth
 - ❑ International competitiveness.

“Foreign **investors are making** serious **money in Nigeria**; Tinubu’s reforms are improving **their confidence!**”

Gautier Mignot

EU Ambassador to Nigeria and ECOWAS

June 2026

“If you can’t see and find **opportunities** where others see trouble, your lens are weak!”

‘Biodun Adedipe

Necessary? Yes! But...

- There have been several arguments that the reforms have caused only pains. I disagree!
- No doubt, there have “birth pangs” but also some measures of trickledown.
 - Construction works have created both direct and indirect values for the companies directly involved as contractors, producers and suppliers of materials, labour and other ancillary services. This is happening at the national and sub-national levels.
 - Move away from salary and pensions arrears amidst borrowing to partially meet the obligations.
 - Introduction of consumer credit that created access to credit and reduced borrowing cost for the beneficiaries.
 - Funding of the education of indigent students of public higher institutions.
 - Certainty of school calendar, especially the public universities.
 - Tax relief for the most vulnerable entities – corporate and individuals.

- The conversation should be how to deepen these and not to completely ignore them.
- The direction should be to focus tightly on the ethical considerations and dilemmas in economic policy, which aim to **balance efficiency, equity** (fair distribution of resources), **social welfare** and **sustainability**.
 - This is how to establish whether policies and reforms are truly working.

Thank you

God bless you more



B. Adedipe Associates Limited

Lateef Jakande House (3rd Floor)

3/5, Adeyemo Alakija Street

PO Box 73983, Victoria Island, Lagos

+234-9021150255

info@baaconsult.com.ng

www.baaconsult.com.ng

Prof. 'Biodun Adedipe, FCIB, F.CIoD, FICBC, FERP, FICA

+234-8023061981, +234-8057443780

bioduna@baaconsult.com.ng

biodun_adedipe@yahoo.com

Supported by:

Mrs. 'Laide John, ACCA, Am.CIoD, FICBC

+234-7011880086

laidej@baaconsult.com.ng

olaideadeshola@yahoo.com