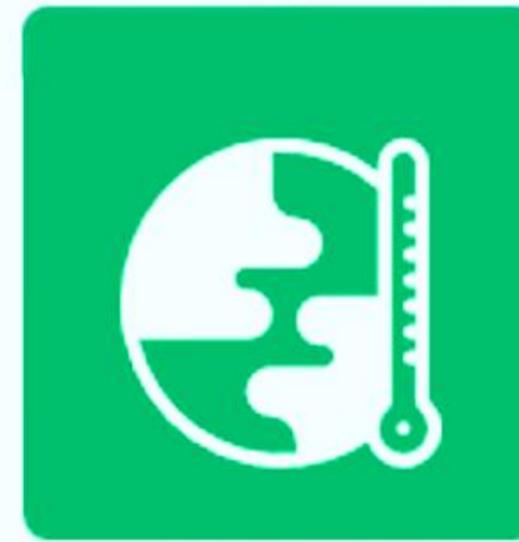




The Chartered Institute of Bankers of Nigeria

CIBN MACROECONOMIC UPDATE

January 2025



Content

01

Introduction

02

Global

GDP Forecast for 2025

Equity & Currency Trend Forecasts for 2025

03

Africa

Real GDP

GDP Per Capita Forecast (\$) for 2025

04

Nigeria

Macroeconomic & Development Indicators

Money Market & Market Capitalization

Crude Oil Price & Exchange Rate

Internal and External Sector Performances

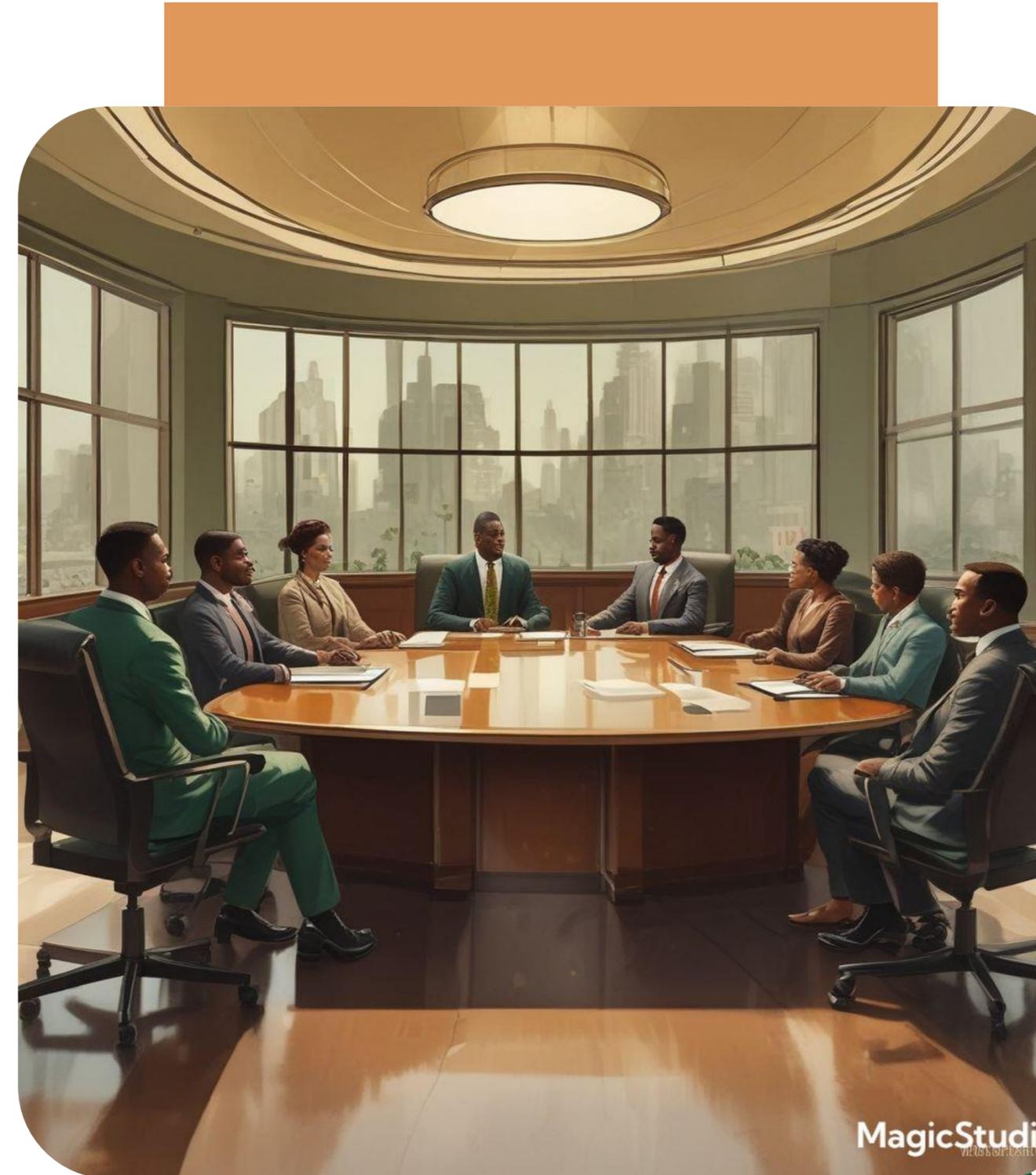
05

Key Statistics of Nigeria 2025

Appropriation Bill

06

Key Takeaways



Introduction



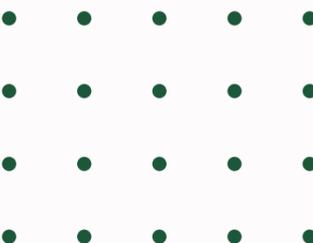
This publication is a Macroeconomic Report routinely released by The Chartered Institute of Bankers of Nigeria



The objective of this publication is to provide members and stakeholders with current updates on the global economy, the Nigerian economy, and the banking industry.



Our goal is to ensure stakeholders are informed and equipped to make informed business decisions during economic challenges.





GLOBAL

GDP FORECAST FOR THE YEAR 2025

3.3%

World Output

1.0%

Euro Area

5.1%

**Emerging &
Developing Asia**

4.2%

Sub-Saharan Africa

2025 Equity Index Price Targets And EPS Forecasts

Japanese Stocks (TOPIX) show the highest expected percentage upside (10%), driven by Earnings Per Share Growth of 7%-10%. This is followed closely by the US (S&P 500) which is forecast to grow by 9%.

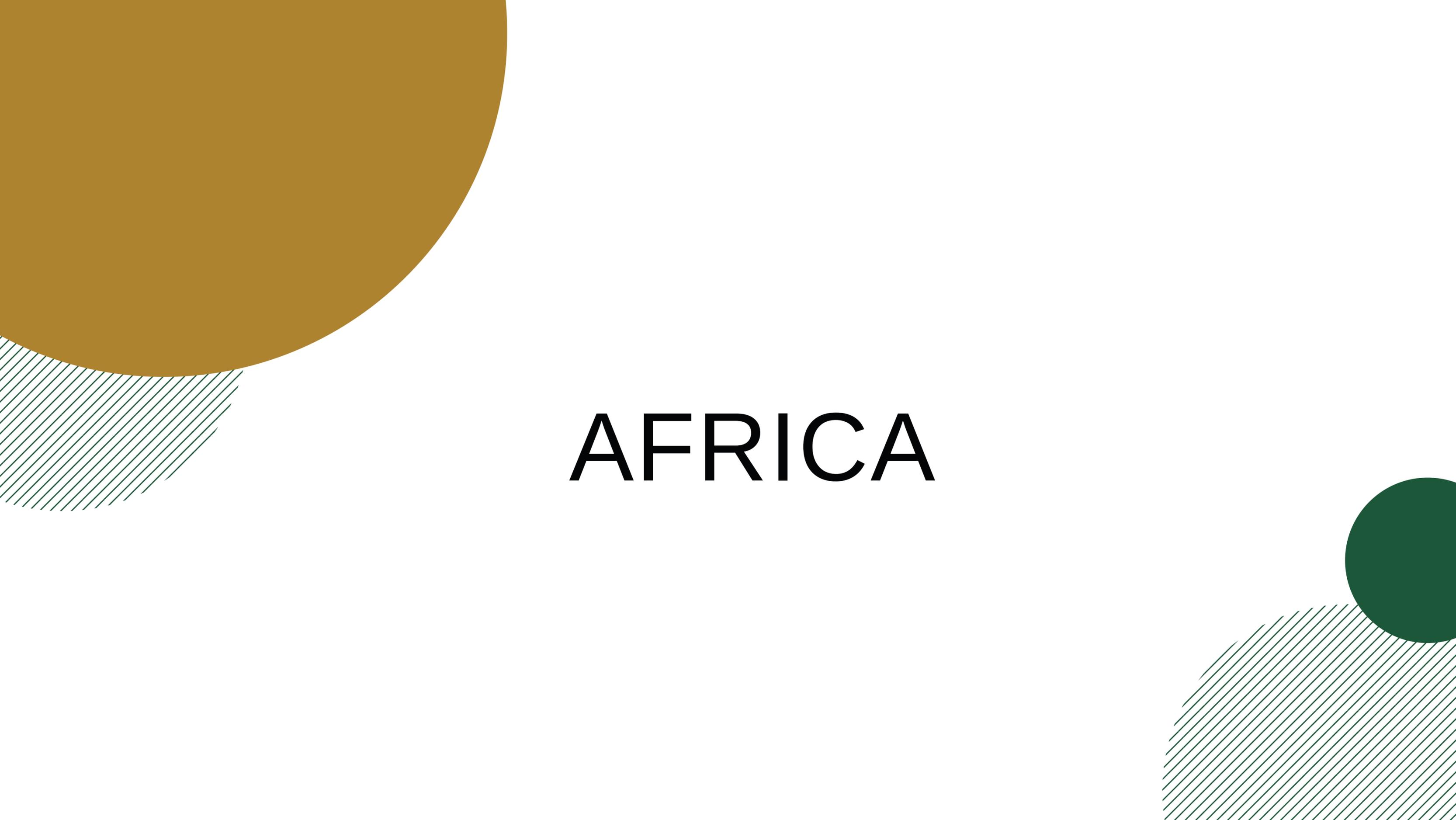
In the developed Markets, Latin American Equity (MSCI LATAM) is projected to have the highest Earnings Per Share growth at 8% suggesting a positive outlook for the region.

	Developed markets				Emerging markets		
	U.S.	Eurozone	U.K.	JP	EM	Asia ex-JP	LATAM
Index	S&P 500	MSCI Eurozone	FTSE100	TOPIX	MSCI EM	MSCI AXJ	MSCI LATAM
2025 price target	\$6,500	€300	£8,600	¥3,000	\$1,150	\$750	\$2,250
% upside	-9%	-5%	-4%	-10%	-5%	-6%	-8%
2025 JPM EPS	\$270	€21.2	£705	¥196	\$88	\$54	\$230
YoY growth	-11%	-3%	-5%	-7%	-7%	-8%	-10%
2025 consensus EPS	\$275	€22.3	£720	¥201	\$94	\$57	\$243
YoY growth	-13%	-8%	-7%	-10%	-15%	-14%	-16%

JP Morgan forecasts that the US Dollar will remain strong in early 2025, particularly against the Euro, British Pound And Japanese Yen. However, there is a gradual weakening of the USD in the second half of 2025 against most currencies, indicating a potential shift in monetary policy or global sentiment.

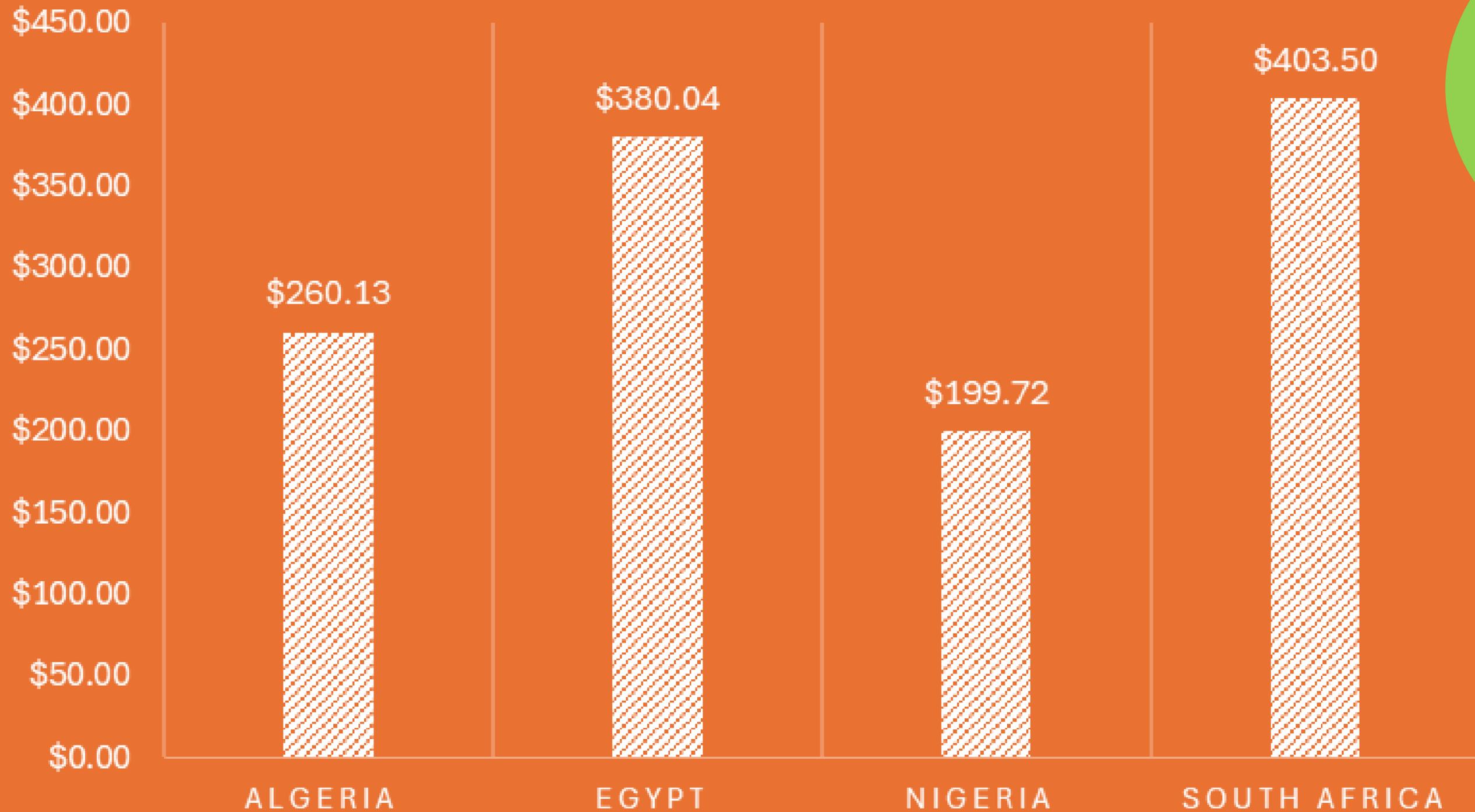
2025 Forecasts For Major Currency Pairs

	March 2025	June 2025	September 2025	December 2025
EUR/USD	0.99	1.03	1.05	1.08
GBP/USD	1.21	1.27	1.28	1.32
USD/JPY	152	151	149	148
AUS/USD	0.62	0.65	0.67	0.69
CAD/USD	1.43	1.42	1.40	1.37
NZD/USD	0.58	0.59	0.60	0.61



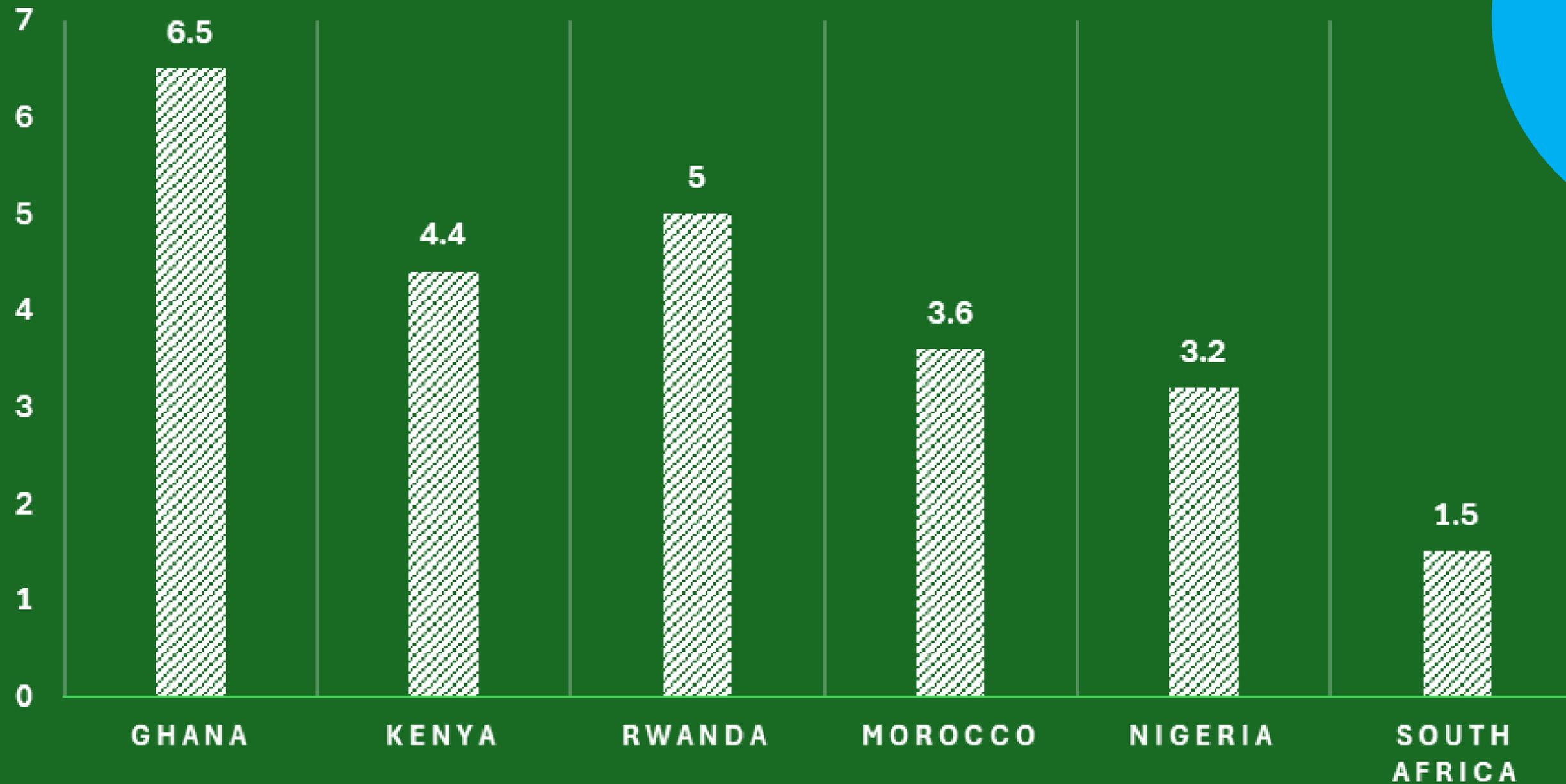
AFRICA

AFRICAN REAL GDP (BILLIONS \$) 2024



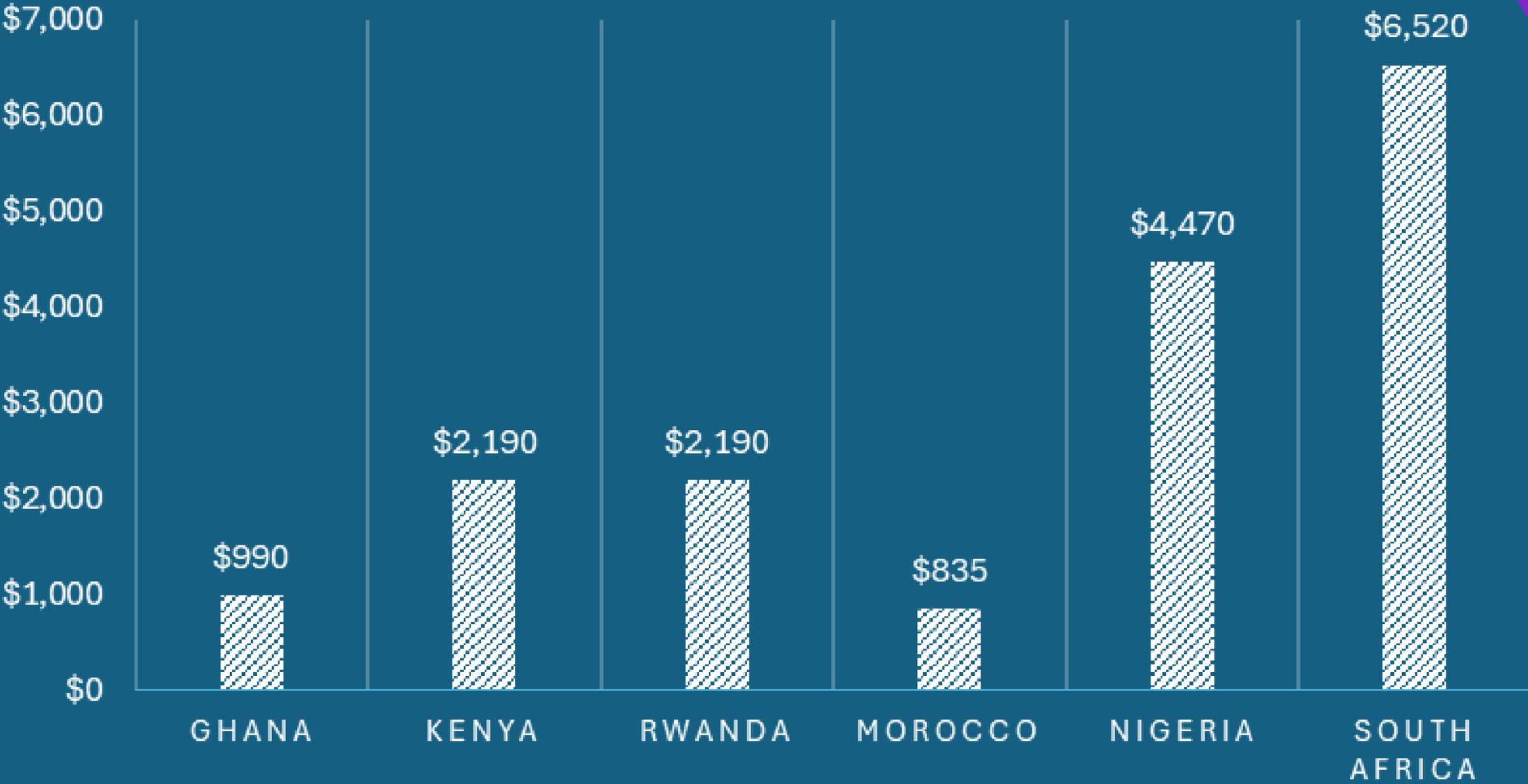
Nigeria places fourth behind South Africa, Egypt and Algeria

AFRICAN REAL GDP % - OUTLOOK FOR 2025



IMF reports Rwandan growth at 5% as of January 2025 compared to 7% in 2024. Meanwhile, Ghanaian growth is reportedly sustained at over 6% in 2025 making them among the highest accelerating economies in Africa.

AFRICAN GDP PER CAPITA (\$) - FORECAST FOR 2025



South Africa remains the highest per capita earner in Africa



NIGERIA

Macroeconomic & Development Indicators



Economic Indicators

34.80%

Inflation

27.5%

MPR

74%

Financial Inclusion
Rate

2.4%

Population Growth Rate

*As of 2024 ending



Economic Indicators (Cont'd)

N71.13 Trillion

Nominal GDP (₦)

3.46%

Real GDP Growth Rate

N20.12 Trillion

Real GDP (₦)

17.26%

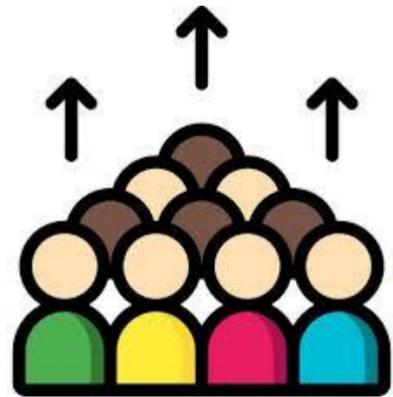
Nominal GDP Growth Rate

17.26%

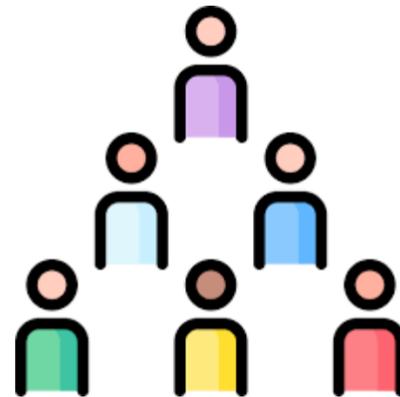
*As of Q3, 2024



LABOUR FORCE AND UNEMPLOYMENT



Total population
217 Million (2024)



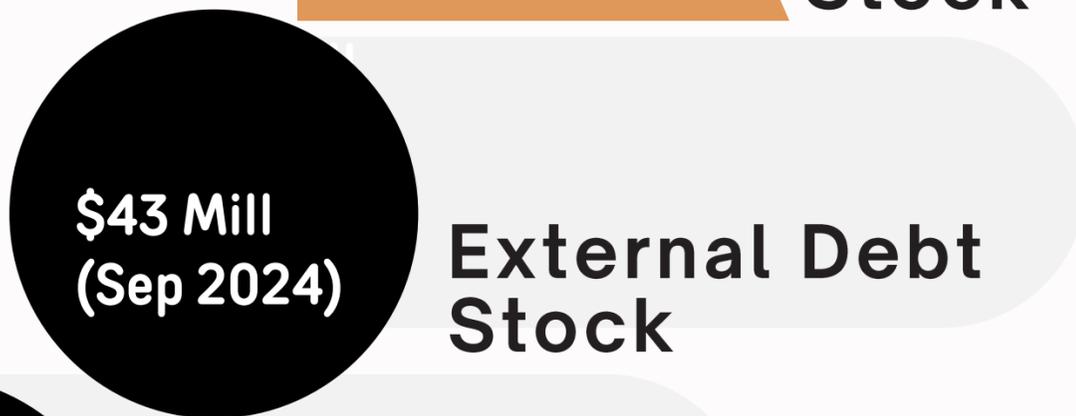
Informal Employment
93% (Q3, 2024)



Self Employment
86% (Q3, 2024)



Development Indicators & Debt Stock

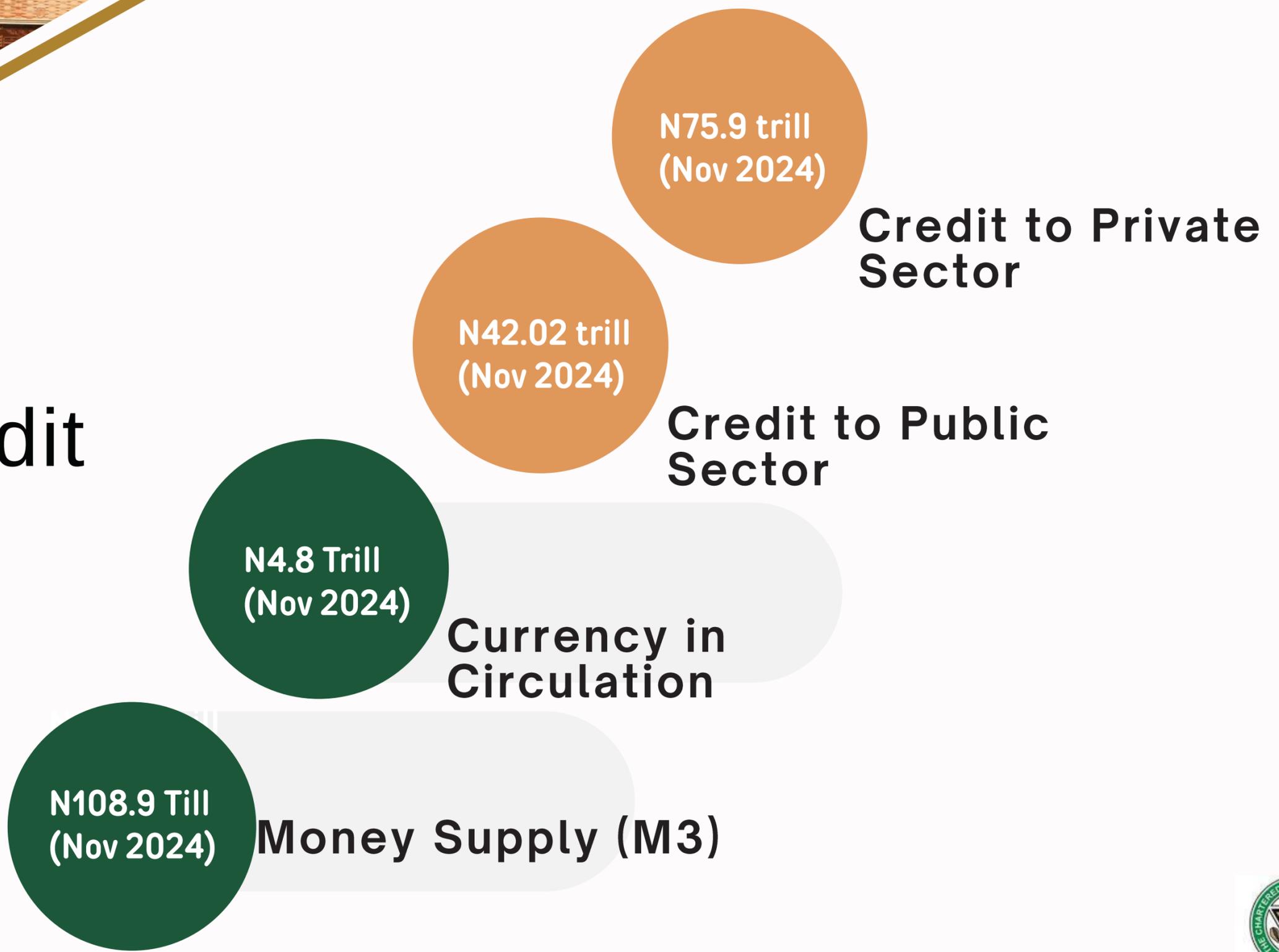


Money Market & Market Capitalization



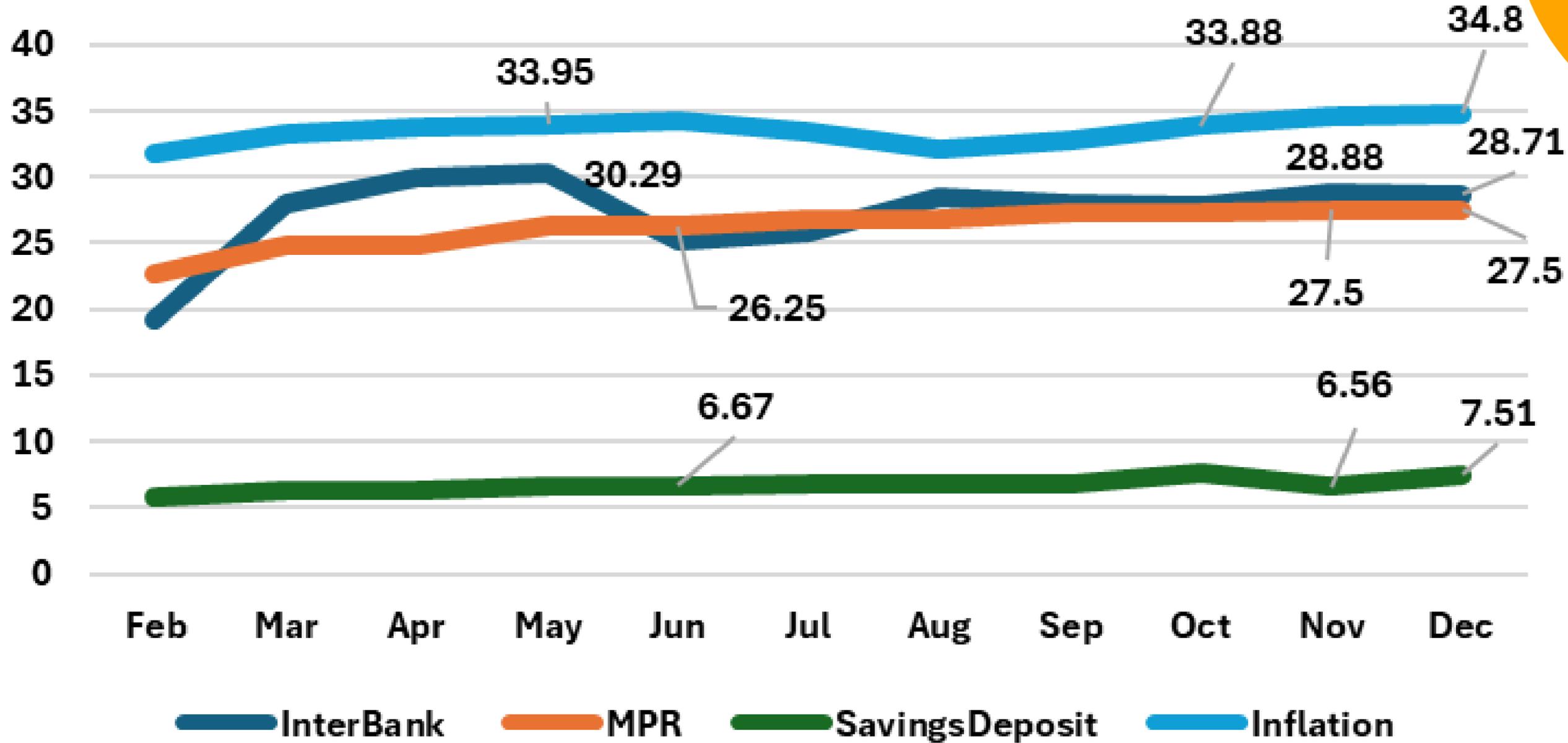


Money & Credit Statistics



Money Market Vs Inflation (%)

Jan - Dec 2024

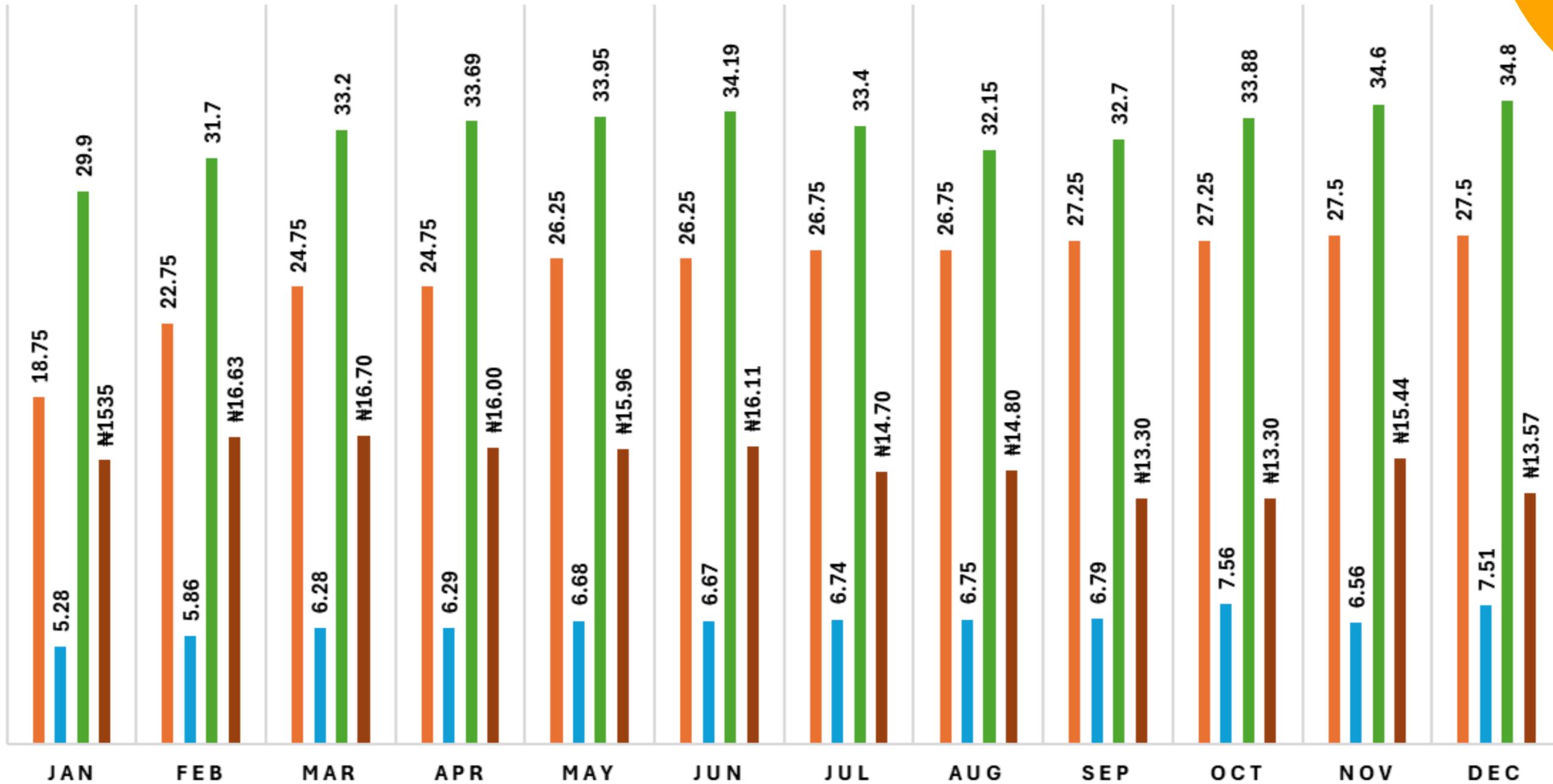


The inflation rate remains well above money market rates in Nigeria



MONEY MARKET VS INFLATION & EXCHANGE RATE (NIGERIA)

MPR SavingsDeposit % Inflation % Exchange Rate (N, 00')

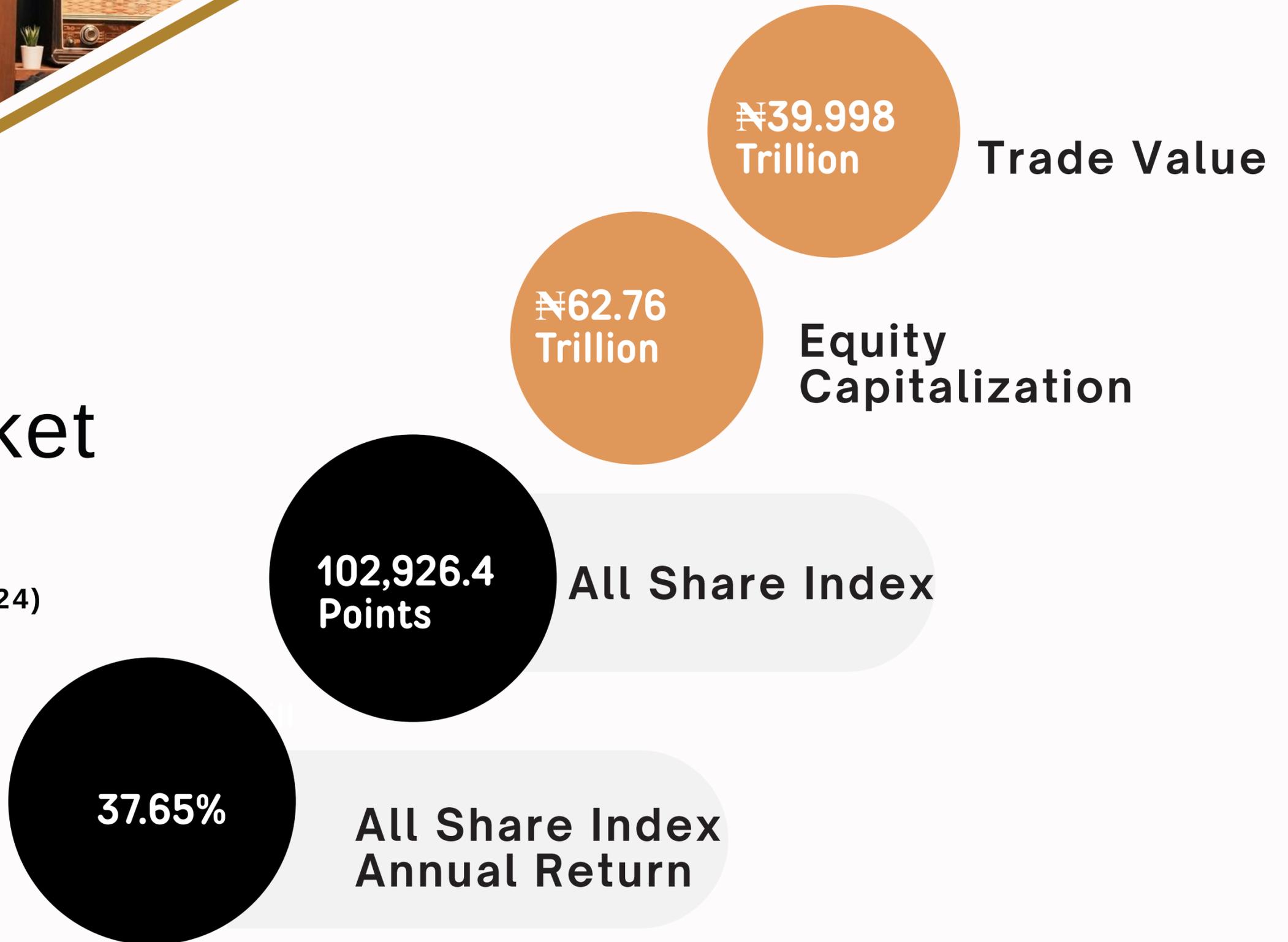


A regression run using the exchange rate as a dependent variable and Inflation as the independent variable reveals a very strong positive correlation between the two. Where the Ex-Rate explains 60% of the variation in Inflation. This is visually reflected in the chart



Stock Market Activities

(As of December End, 2024)



Crude Oil Price & Exchange Rate



Global Avg Crude Oil Price (\$) January – December 2024

On Average, the Crude Oil Price was \$82.57/barrel in 2024

This is slightly lower than the average of \$85.03 in 2023 and significantly lower than \$104.62 in 2022. This could be due to global economic slowdowns, increased oil output by non-OPEC members and the adoption of Electric Vehicles

Month	Crude Oil Price in USD
January	82.18
February	86.08
March	88.8
April	93.12
May	84.01
June	83.64
July	87.28
August	82.88
September	76.05
October	76.69
November	75.44
December	74.72

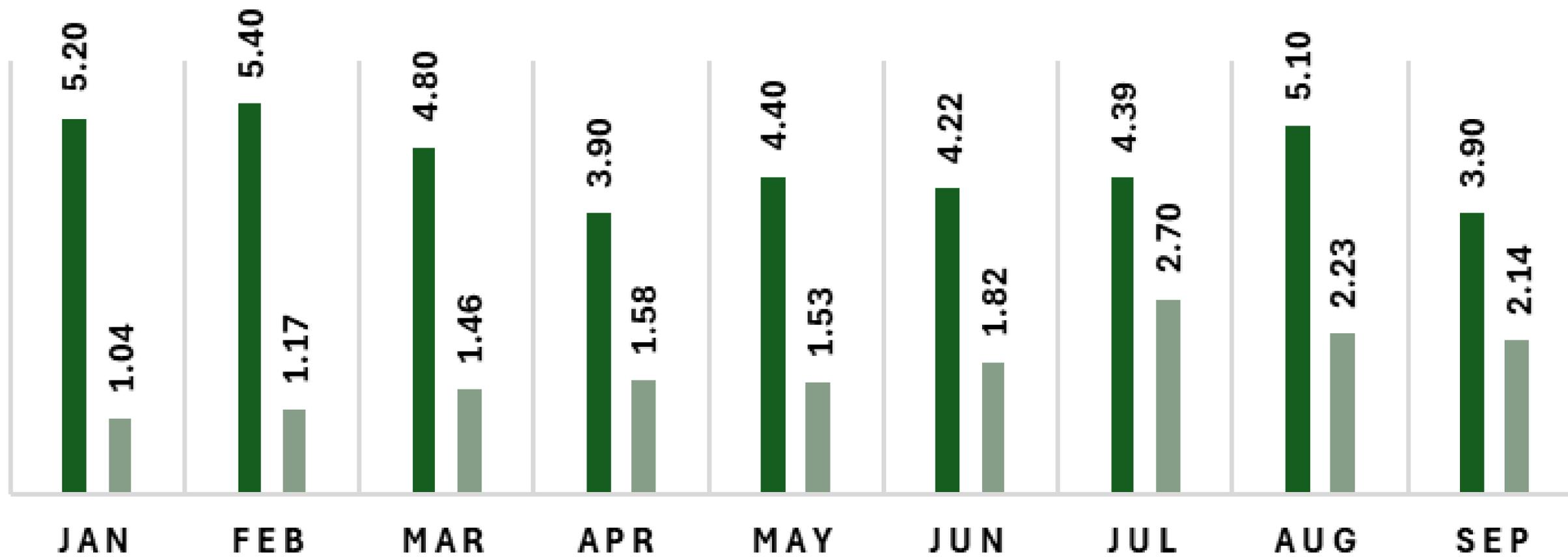


CRUDE VS NON-CRUDE OIL EXPORTS

JANUARY - SEPTEMBER 2024

(N TRILLIONS)

■ Crude Oil Exports ■ Non_Crude Oil Exports



Crude Oil remains the top export earner for the country as of Q3 2024



AVG MONTHLY EXCHANGE RATE JUNE – DECEMBER 2024 (N/\$)

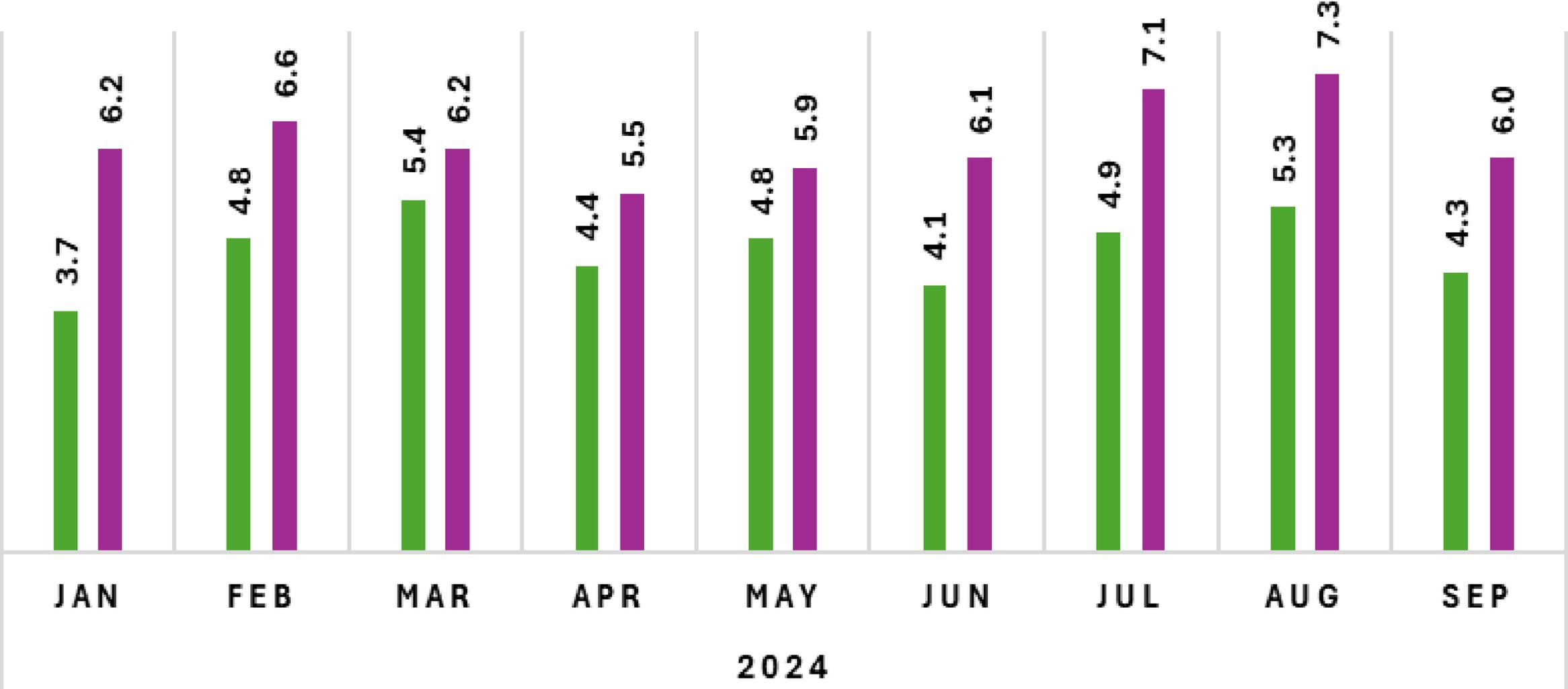
Month	Ex Rate
June	₦1,482.98
July	₦1,611.21
August	₦1,596.14
September	₦1,601.03
October	₦1,651.28
November	₦1,687.73
December	₦1,558.00

The Naira to Dollar exchange rate remained relatively stable at an average of N1598.34 per \$ in the second half of 2024. Implying foreign exchange policies have taken effect. The implication is improved financial planning and forecasting for businesses and other formal entities

Balance of payments remains positive as Exports surpass imports

IMPORTS VS EXPORTS JANUARY - SEPTEMBER 2024 (N TRILLIONS)

■ Imports ■ Exports(fob)



*Figures for Q3 yet to be released at the time this publication was released

Nigeria's Balance of Trade

Q1 - Q3, 2024

EXPORTS

N57.2 Trillion

Vs

IMPORTS

N42.1 Trillion

TRADE SURPLUS

N15.1 Trillion

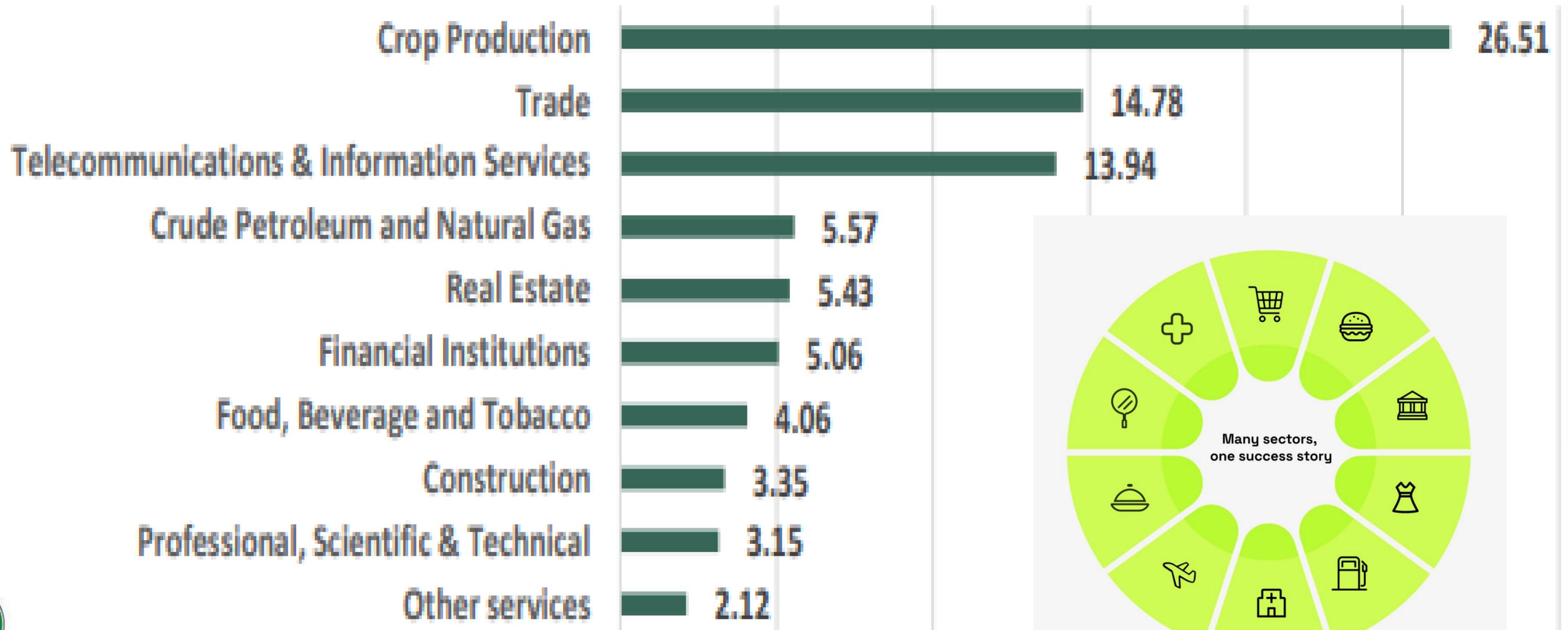
Nigeria's balance of payments was positive over 3 consecutive quarters of 2024



Internal and External Sector Performance

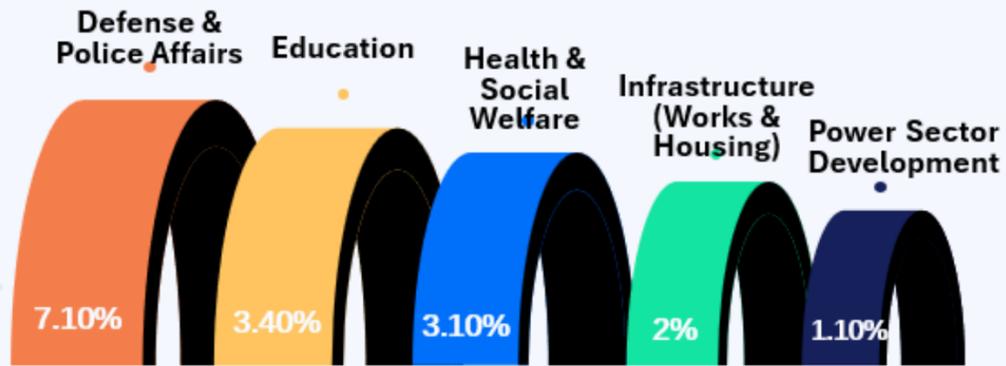


Top 10 Performing Sectors to Real GDP in Q3 2024(%)



Key Statistics of Nigeria's 2025 Appropriation Bill

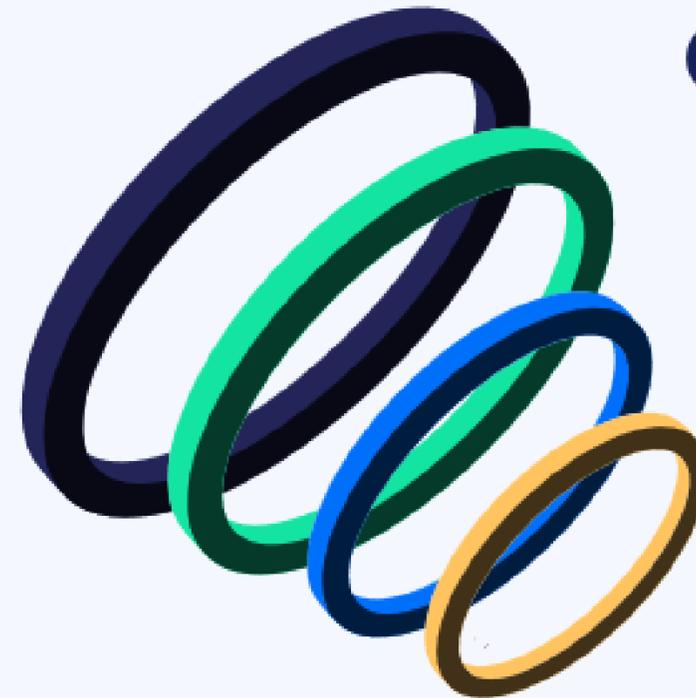
Key Spending Areas



Budget Allocation Breakdown



Revenue Sources



- FGN Share of Gross Federation Revenue**
₦34.39 trillion (94.6% of total revenue)
- Independent Revenue**
₦3.47 trillion (9.5% of total revenue)
- Aid & Grants**
₦761.91 billion (2.1% of total revenue)
- Government-Owned Enterprises**
₦2.87 trillion (7.9% of total revenue)

Key Takeaways

US Stocks rallied in time for Trump's Inauguration



The S&P 500 and NASDAQ 100 indexes were volatile over the festive period. However, the indexes began recording significant gains in the second week of January 2025 just ahead of Trump's inauguration

Average Oil Prices slowed slightly in 2024



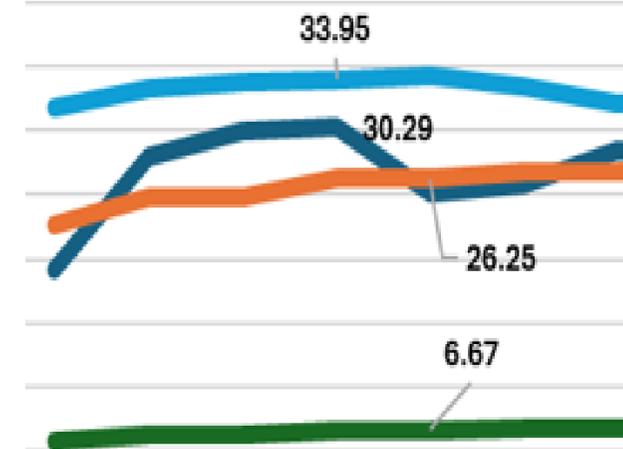
On Average, the Crude Oil Price was \$82.57/barrel in 2024, slightly lower than the average of \$85.03 in 2023 and significantly lower than \$104.62 in 2022. This is likely due to global economic slowdowns, increased oil output by non-OPEC members and the adoption of Electric Vehicles

Nigeria sustains Trade Surplus in Q3 2024



Nigeria's balance of payments remained positive in the third quarter of 2024. This is likely due to the relatively lower import figures recorded in 2023. This may also be due to increased oil production

Inflation Remains Significantly High



The Inflation rate has remained persistently higher than interest rates in 2024. Making this year's interest spreads among the highest in Nigeria's history

References

1. *National Bureau of Statistics*
2. *Kenyan Bureau of Statistics*
3. *Ghana Statistical Service*
4. *National Institute of Statistics - Rwanda*
5. *Ministry of Economy & Finance - Morocco*
6. *Department of Statistics - South Africa*
7. *World Bank Data Portal*
8. *Central Bank of Nigeria*
9. *Debt Management Office*
10. *Agusto & Co*
11. *International Monetary Fund*
12. *Nigerian Stock Exchange*
13. *JP Morgan*
14. *EfInA*
15. *Bloomberg*





THANK YOU

For comments/observations please connect with us

-  cibn@cibng.org
-  <https://www.cibng.org/>
-  cibnigeria
-  cibnigeria
-  cibnigeria
-  The Chartered Institute of Bankers Of Nigeria
-  19 Adeola Hopewell Street, Victoria Island, Lagos

