



GDP

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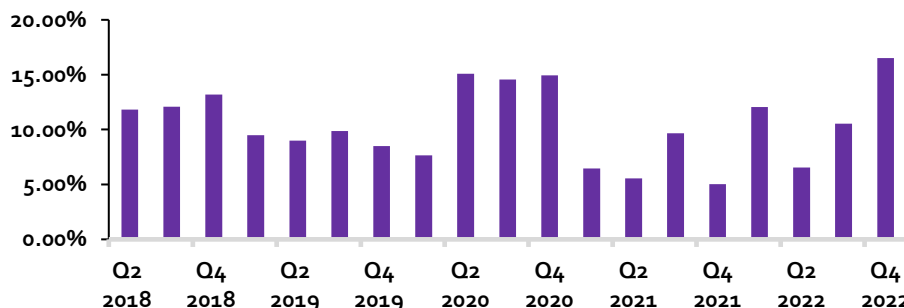
The ICT Sector remains the bright spot of Nigeria's economy.

The ICT sector continues to be a major contributor to the country's GDP growth. According to the National Bureau of Statistics (NBS), The ICT sector grew by 9.76% in real terms in 2022 compared with 6.55% in 2021. The contribution of the sector to real GDP growth in 2022 was 16.51%, higher than the 15.51% reported in 2021. In Q4 2022, the ICT sector contributed 13.55% to real GDP growth, and was the third highest contributor. The ICT sector has been one of the bright lights in the rather gloomy Nigerian economy. In Q4 2022, the sector contributed 56.27% to the aggregate GDP of the services sector. The telecoms sector is the major sub-sector of the ICT sector, contributing 82.17% to the sector's output in 2022. Nigeria has the largest mobile population in Africa, and this is expected to continue to grow due to its large population of young people

The growth in the ICT sector can be attributed to the increasing number of internet service subscribers, mobile service subscribers, and the growth in broadband penetration. In January, mobile subscriptions grew to 225.88 million. This is 3.66 million more mobile subscriptions than the 222.23 million subscriptions reported in December 2022. Teledensity, the number of active telephones per 100 people living within an area, grew to 118.51 %. These numbers reflect Nigeria's prominence in the telecommunications sector, owing to the country's massive population. Nigeria also has one of the highest internet penetrations in Africa at 51%.

Despite the consistent growth in the sector, the sector has had its own fair share of challenges, such as bad network reception, vandalism, rising energy costs, and rising operations costs. Nevertheless, the full roll out of the 5G network is expected to drive continuous growth in the telecoms sector. Also, as telcos begin to diversify, we expect the fintech segment to contribute significantly to the growth of the sector, riding on the implementation of the recent cash withdrawal limits which is expected to boost fintech operations in the near term.. Looking ahead, growth in the sector will be driven by new technologies, increasing smart phone usage, and rising digital consciousness.

ICT Sector Real GDP Growth (%)



Source: NBS, CSL Research

MARKET UPDATE

	1 year	30-Dec-22	1 day
NSE - Index*	47,163.94	51,251.06	54,936.11
Naira / US\$	416.25	461.50	462.00
Brent, US\$/bbl	121.60	85.91	76.69
MPR %	11.50	16.50	18.00

Source: NGX Exchange, Central Bank of Nigeria, Bloomberg. *NGX Exchange All-Share Index.

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News headlines:

FEC approves N454bn for Kano-Niger Republic rail, others: The Federal Executive Council, on Wednesday, approved the sum of N453.90bn for the procurement of rolling stock, operation and maintenance equipment for the Kano-Maradi standard gauge rail line currently under construction. The amount also includes N510.93m meant for procuring four customised fire service/search and rescue vans in seaports at Port Harcourt, Lagos Port Complex, Tincan Island port and the Marina headquarters of the Nigerian Ports Authority. The Minister of Transportation, Mu'azu Sambo, disclosed this to State House correspondents after this week's Council meeting chaired by the President, Major General Muhammadu Buhari (retd.), at the Presidential Villa, Abuja. Source: punchng.com

<https://punchng.com/fec-approves-n454bn-for-kano-niger-republic-rail-others/>

NCC Blames Fast Data Depletion on Global Explosion of New Technologies: Inundated with complaints about fast depletion of data after the daily, weekly and monthly subscription of data bundles from telecom service providers, the Nigerian Communications Commission (NCC) has traced such fast data depletion to the advancement and explosion of new technologies across the globe. The NCC, which exonerated telecoms subscribers from being responsible for fast data depletion, blamed the situation on the advancement of new technologies that have high rates of data consumption due to its increased download speed and connectivity speed at very low latency. Telecoms consumers have continually complained to the NCC about the high rate at which their data bundles are consumed. Source: thisdaylive.com

<https://www.thisdaylive.com/index.php/2023/03/23/ncc-blames-fast-data-depletion-on-global-explosion-of-new-technologies/>

Inflation pushes pension funds' investment in FG bonds to Ng.6trn: The sustained rise in inflation and interest rate has triggered significant rise in pension funds investments in Federal Government securities to Ng.6 trillion in 2022, about 9.9 percent higher than N8.7 trillion recorded in 2021. Analysts said the rise will continue in 2023 given the continued rise in both inflation and interest rate. The Federal Government securities include FGN Bonds, Treasury Bills, Agency Bonds, Sukuk, and Green Bonds. Inflation has been on the rise in the past eight months hitting a 17 year high of 21.91 percent last month, while interest rate has equally been on the rise as the Central Bank of Nigeria, CBN, continues to hike Monetary Policy Rate, MPR, hitting 18 percent this week, in a bid to fight inflation. Source: Vanguardngr.com

<https://www.vanguardngr.com/2023/03/inflation-pushes-pension-funds-investment-in-fg-bonds-to-ng-6trn/>

CBN to flood banks with old naira notes - NLC protests: The Central Bank of Nigeria has finally concluded plans to release all N1,000, N500 and N200 notes in its custody to Deposit Money Banks, The PUNCH can report authoritatively. This decision is expected to end months of hardships and pains Nigerians have been going through following a controversial CBN naira redesign policy that has caused a severe shortage of old and new naira notes across the country. The CBN's latest decision came several weeks after the Supreme Court ordered that old N1,000, N500 and N200 notes should remain legal tender until December 31, 2023. On Wednesday night, top officials of the CBN and commercial banks confirmed to The PUNCH that the CBN Governor, Godwin Emefiele, had directed the DMBs to begin the disbursement of old N1,000, N500 and N200 notes. to members of the public effective Thursday (today). Source: Punchng.com

<https://punchng.com/nlc-protests-cbn-to-flood-banks-with-old-naira-notes/>

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Coverage universe	17	10	5	3	35
% distribution	49%	29%	14%	9%	
Investment banking clients	0	1	1	0	2
% distribution	0%	50%	50%	0%	

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