

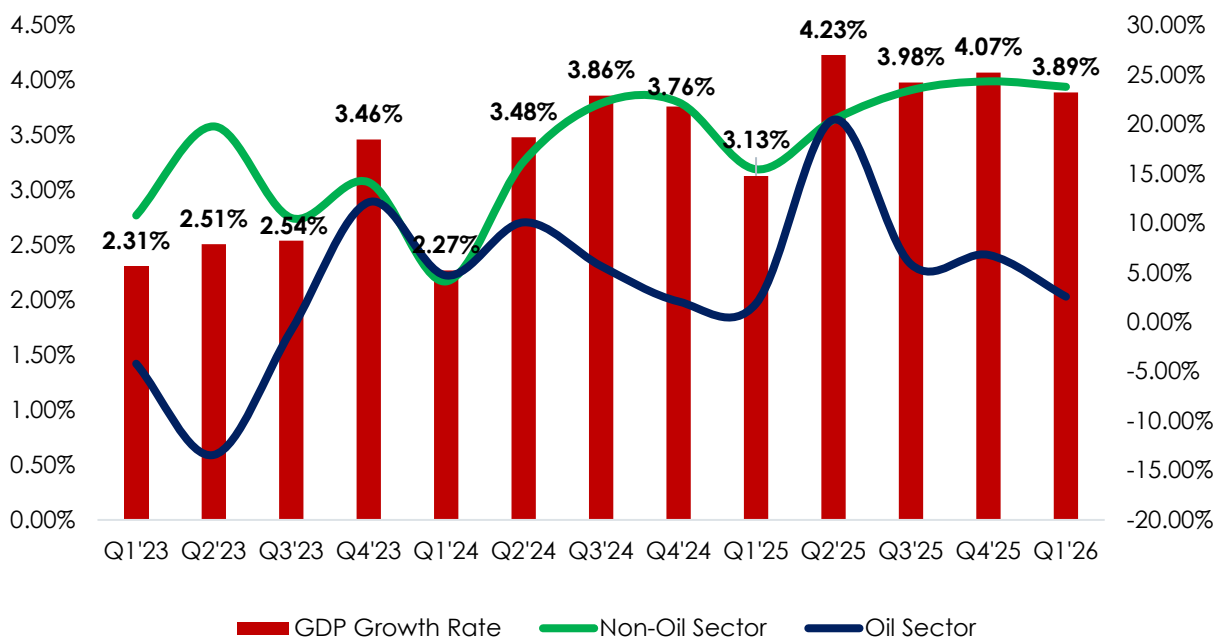
# Real GDP Expands by 3.89% in Q1 2026

Nigeria's economy expanded in Q1 2026, bolstered by a sharp recovery in the agricultural sector and sustained momentum within core services and industrial clusters, as post-recapitalization liquidity and structural adaptations continue to support growth in key areas of the economy.

Real Gross Domestic Product (Real-GDP) grew by 3.89%, an increase of 76bps from the 3.13% recorded in Q1 2025. The agricultural sector posted a strong recovery, growing by 3.15% compared with a near-stagnant 0.07% in Q1 2025, while the industrial sector grew by 3.50%, up from 3.42% in the comparative quarter of 2025. In terms of GDP share, the services sector remained the dominant driver, contributing 57.73% to aggregate GDP in Q1 2026, compared with 57.50% in the corresponding quarter of 2025.

In nominal terms, total GDP stood at ₦110.79 trillion, reflecting year-on-year growth of 17.79% from the ₦94.05 trillion recorded in Q1 2025.

**Trend of Nigeria's Real GDP Quarterly Growth**



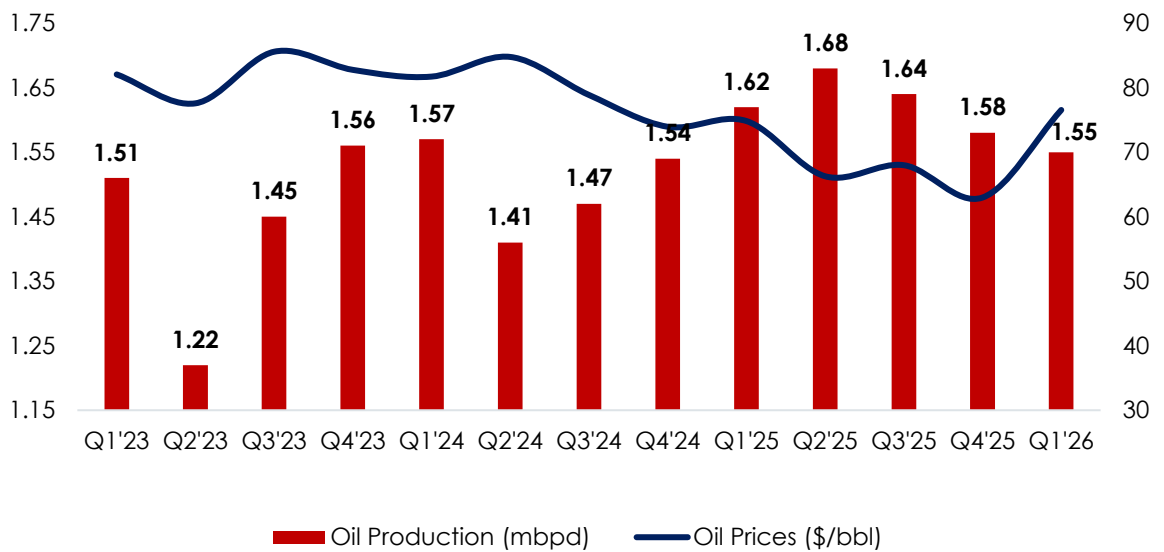
**Source: NBS, SCM Capital Research.**

## Geopolitical Tensions and Base Effects Support Oil Sector Growth

The oil sector recorded steady growth in Q1 2026, rising by 70bps to 2.57%, compared to 1.87% in Q1 2025. This increase was driven by positive base-period valuation adjustments and a rising global price regime, which was aided by the escalating Iran–U.S. crisis that drove oil prices upward in late February. However, overall growth momentum slowed compared to the 6.79% growth spike recorded in Q4 2025.

Average daily crude oil production during the quarter stood at 1.55 mbpd, 4.32% lower than the 1.62 mbpd recorded in Q1 2025, and also below the 1.58 mbpd reported in Q4 2025. The decline in production highlights persistent infrastructure bottlenecks and localized security challenges.

Overall, the oil sector contributed 3.92% to total real GDP in Q1 2026, down from 3.97% in the corresponding period of 2025.

**Trend in Crude Oil Production and Prices**


Source: NBS, SCM Capital Research.

**Non-Oil Sector Anchors Economic Resilience**

The non-oil sector, which accounts for the bulk of the economy, grew by 3.94% in real terms, representing an increase of 75bps from the 3.19% recorded in Q1 2025. Growth was supported by strong performances in telecommunications, agriculture, real estate, financial institutions, trade, manufacturing, among others.

Reflecting this broad-based resilience, the non-oil sector's contribution to GDP ticked upward to 96.08% in Q1 2026, compared with 96.03% in Q1 2025, though lower than the 97.13% recorded in Q4 2025.

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