

GDP expands by 4.23% in Q2 2025 as oil output rises Nigeria's

Nigeria's Gross Domestic Product (GDP) grew by 4.23% year-on-year in real terms in the second quarter of 2025, according to the latest figures released by the National Bureau of Statistics (NBS).

This marks a stronger performance than the 3.48% recorded in the corresponding period of 2024.

The report shows that aggregate GDP at basic prices stood at N100.73 trillion in nominal terms, compared with N84.48 trillion in Q2 2024, representing a nominal growth of 19.23% year-on-year.

The report read, "Following the rebasing of the Gross Domestic Product using 2019 as the base year, previous quarterly GDP estimates were benchmarked to the rebased annual estimates to align the old series with the new rebased estimates.

"This procedure provided a new quarterly GDP series, which is compared to the 2025 second quarter estimates. Gross Domestic Product (GDP) grew by 4.23% (year-on-year) in real terms in the second quarter of 2025. This growth rate is higher than the 3.48% recorded in the second quarter of 2024."

Oil sector performance

The oil sector drove much of the growth momentum. Average daily crude oil production rose to 1.68 million barrels per day (mbpd), higher than the 1.41 mbpd recorded in Q2 2024 and 1.62 mbpd in Q1 2025.

This production boost translated into real GDP growth of 20.46% for the sector, compared with 10.08% in the same quarter of 2024 and just 1.87% in Q1 2025. The oil sector contributed 4.05% to total GDP in Q2 2025, up from 3.51% in Q2 2024.

Mining and quarrying, which includes crude petroleum and natural gas, coal mining, metal ores, and quarrying of other minerals, also expanded strongly. The subsector grew by 20.86% in real terms. Quarrying and other minerals rose by 50.41%, while coal mining increased by 32.59%. The sector contributed 4.23% to GDP in real terms, up from 3.64% a year earlier.

Non-oil sector dominance

Despite the strong oil rebound, the non-oil sector continued to dominate economic output, accounting for 95.95% of GDP in Q2 2025. The sector grew by 3.64% in real terms, higher than the 3.26% recorded in Q2 2024 and 3.19% in Q1 2025.

Growth in the non-oil economy was driven by agriculture, telecommunications, real estate, financial institutions, trade, construction, and electricity, gas, steam and air conditioning supply.

Agriculture

Agriculture grew by 2.82% in Q2 2025 in real terms, compared with 2.60% in Q2 2024 and just 0.07% in the previous quarter. Crop production remained the key driver, accounting for more than half of agricultural output.

The sector contributed 26.17% to real GDP in Q2 2025, slightly lower than the 26.53% recorded in Q2 2024, but higher than the 23.33% reported in Q1 2025.

Industry and Manufacturing

The industry sector posted a real growth rate of 7.45%, more than double the 3.72% growth recorded in Q2 2024. Manufacturing, however, slowed to 1.60% growth in Q2 2025, compared with 2.07% in the previous quarter. Its contribution to GDP dipped to 7.81% from 8.01% in Q2 2024.

Construction expanded by 5.27% in real terms, up from 4.20% in the previous year, but posted a quarter-on-quarter contraction of 21%. The sector contributed 3.60% to GDP in Q2 2025, compared with 3.57% in Q2 2024.

Services Sector

The services sector grew by 3.94% in real terms in Q2 2025, up from 3.83% in the same quarter of 2024. Trade contributed 18.28% to GDP but slowed slightly from 18.81% in Q2 2024. Real growth in trade was 1.29%, down from 1.82% in the corresponding period.

Information and communication maintained strong growth, expanding by 6.61% in Q2 2025 compared with 4.38% in Q2 2024. The sector contributed 11.18% to GDP, higher than the 10.93% recorded a year earlier.

Finance and insurance grew by 16.13% in real terms, compared with 0.30% in Q2 2024, and contributed 3.23% to GDP, up from 2.89% a year ago.

Transportation and storage saw one of the fastest expansions, growing by 22.09% in real terms, with a GDP share of 0.65%, compared with 0.56% in Q2 2024.

Energy and Utilities

Electricity, gas, steam and air conditioning supply posted 11.47% growth in real terms in Q2 2025, up from 7.71% in Q2 2024. Its contribution to GDP rose to 1.23%, compared with 1.15% in the same quarter of the previous year.

Water supply, sewerage, waste management and remediation grew by 10.60% in real terms and contributed 0.44% to GDP, up from 0.42% in Q2 2024.