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1. Overview

GLOBAL AND REGIONAL ECONOMY

Global economic growth is projected to remain low in 2024 before improving slightly in 2025. Global growth is projected to decline to 3.2 percent in 2024, before rising moderately to 3.3 percent in 2025. The projected growth rate for 2024 is unchanged, while that of 2025 represents an upward revision of 0.1 percentage point from the April 2024 World Economic Outlook (WEO), mainly on account of revised growth for China (Appendix II). The projected sluggish global growth in 2024 and 2025 reflects an upside risk to inflation given escalating trade tensions and increased policy uncertainty, which increases the prospect of retention of higher interest rates by central banks. Other major revisions were observed in Advanced Economies, particularly Spain and the United Kingdom, while in Emerging Market and Developing Economies, revisions were observed in Russia, India and Brazil. Similarly, the World Bank projects slow global growth of 2.6 percent in 2024 before improving marginally to 2.7 percent in 2025. This forecast, which is less optimistic than the WEO, is mainly due to expected moderating growth in China, affecting the East Asia and Pacific region. The OECD projects the global economy to grow by 3.1 percent and 3.2 percent in 2024 and 2025, respectively.

For Advanced Economies, growth is projected to rise in 2024 and 2025. Both the IMF and the OECD estimated growth in Advanced Economies (AEs) to remain at 1.7 percent in 2024 before increasing slightly to 1.8 percent in 2025. This forecast remains unchanged from the April WEO forecast. The World Bank projected growth of 1.5 percent and 1.7 percent for 2024 and 2025 for advanced economies.

Growth in Emerging Market and Developing Economies (EMDEs) is projected to remain stable in 2024 and 2025. Growth in EMDEs is estimated to remain at 4.3 percent in 2024 and 2025 respectively, from the 4.4 percent recorded in 2023. The latest growth estimates for 2024 and 2025 represents an upward revision of 0.1 percentage point from

the April 2024 WEO, largely on account of revised growth forecasts for China and Brazil. Similarly, the World Bank projects growth in EMDEs to remain stable at 4.0 percent in both 2024 and 2025.

Growth in Sub-Saharan African economies is expected to improve, both in 2024 and in 2025. GDP growth in the Sub-Saharan African (SSA) region is estimated at 3.7 percent and 4.1 percent in 2024 and 2025, respectively, an improvement from 3.4 percent in 2023. The anticipated improvement is linked to subsiding negative effects of weather shocks and gradual improvements in supply chains. The latest projection for 2024 and 2025 reflects an upward revision of 0.1 percentage point from the April 2024 WEO. The World Bank projects growth in SSA economies to rise to 3.5 percent and 3.9 percent in 2024 and 2025 respectively.

DOMESTIC ECONOMY

Namibia's GDP growth is projected to slow down in 2024, mainly due to subdued growth in the global economy, affecting demand for Namibia's mineral exports and the prevailing drought conditions. Real GDP growth is projected to moderate downwards to 3.1 percent in 2024, from 4.2 percent registered in 2023. Besides for the weak demand, high base effects from the mining industry are expected to exert downward pressure on 2024 growth for the same industry.

Domestic growth projections are subject to substantial risks from global monetary policy conditions, adverse effects of the drought, and weakened global commodity demand. The global trend of tight monetary conditions could continue to dampen the purchasing power and consumption. Similarly, the prevailing drought conditions are likely to dampen agricultural output throughout the forecast period, while strained water resources could restrict growth in output from the uranium sector. Additionally, weakened global commodity demand and competition from lab-grown diamonds could hold back growth in the mining sector.

Risks to domestic growth are predominantly in the form of extended tight monetary policy globally and costs of key import items that are likely to remain high for the entire forecast period. Major central banks in the world continue to maintain tight monetary policies and that is anticipated to restrain growth in 2024 and 2025. Furthermore, the war between Russia and Ukraine is likely to continue for longer and so is the high prices for affected commodities for which Namibia is a net importer, including fuel, wheat and cooking oil. Other domestic risks include water supply interruptions that continue to affect mining production at the coast, potential spillover of electricity cuts in South Africa to Namibia, and the legacy of El Nino, which is having a negative impact on crop production in Southern Africa.

2. Global Outlook

Following the IMF's World Economic Outlook (WEO) update for July 2024, global growth is estimated to slow in 2024, before recovering slightly in 2025. Global growth is projected to slow to 3.2 percent in 2024 and recover to 3.3 percent in 2025. The projection for 2024 remains unchanged while that of 2025 was revised upwards by 0.1 percentage point from the April 2024 WEO (Appendix II). Growth in advanced economies is expected to remain at 1.7 percent in 2024, before rising marginally to 1.8 percent in 2025. While growth in EMDEs is estimated to remain at 4.3 percent in 2024 and 2025 respectively. Similarly, the World Bank estimated growth for AEs to remain at 1.5 percent in 2024 before rising slightly to 1.7 percent in 2025. Nevertheless, the projected global growth for 2024 and 2025 remains below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth.

2.1. Advanced Economies

Growth in Advanced Economies is projected to increase in 2024 and 2025. Growth in advanced economies is expected to remain stable at 1.7 percent in 2024, before improving to 1.8 percent in 2025 (Appendix II). This projection for 2024 and 2025 remains unchanged from the April 2024 WEO, reflecting stronger-than-expected growth in AEs. The World Bank projects growth of 1.5 percent and 1.7 percent in 2024 and 2025 for advanced economies.

In the United States, growth is projected to increase in 2024 before slowing in 2025. The US economic growth is projected to rise to 2.6 percent in 2024 from 2.5 percent registered in 2023. Economic growth for the US is ascribed mainly on the resilient consumer spending on durable goods and residential investment coupled with expected fiscal support during the second half of the year. However, growth is expected to slow to 1.9 percent in 2025, driven primarily by the cumulative effects of past monetary tightening. The forecast for 2024, reflects a downward revision of 0.1 percentage point from the April 2024 WEO release, reflecting the slower-than-expected growth for the year. Similarly, the World Bank estimated growth in the US economy to be at 2.5 percent and 1.8 percent in 2024 and 2025 respectively, which is in line with the OECD projection of 2.5 percent and 1.8 percent in 2024 and 2025 for the US economy.

Growth in the euro area is projected to improve in 2024 and 2025, from its low rate of 2023. The Euro Area growth is projected to recover from 0.5 percent registered in 2023 to 0.9 percent and 1.5 percent in 2024 and 2025 respectively. The improvement is underpinned by stronger consumption on the back of rising real wages, as well as higher investment from easing financing conditions amid expected gradual monetary policy easing in the second half of the year. In the same vein, the World Bank projects a recovery in the Euro Area of 0.7

percent and 1.4 percent in 2024 and 2025, which remains broadly consistent with the OECD projections of 0.7 percent and 1.5 percent in 2024 and 2025, respectively.

Growth in the United Kingdom is estimated to continue recovering in 2024 and 2025.

Economic growth in the UK is projected to rise to 0.7 percent and 1.5 percent in 2024 and 2025, as the lagged negative effects of high energy prices wane. Expected disinflation, which allows financial conditions to ease and real incomes to recover, will further boost consumer spending. Similarly, the World Bank projects growth to recover to 0.4 percent and 1.0 percent in 2024 and 2025 for the UK economy.

In Japan, growth is expected to slow in 2024, before recovering marginally in 2025.

Economic growth in Japan is expected to decelerate to 0.7 percent in 2024, from 1.9 percent recorded in 2023. The slow growth is attributed to the fading effects of policies that supported growth in 2023 and including a surge in inbound tourism. However, output is projected to grow marginally to 1.0 percent in 2025, on account of slight improvements in consumer spending and capital investment. The projections for 2024 reflect a downward revision of 0.2 percentage point from the April 2024 WEO on account of temporary supply disruptions and weak private investment in the first half of the year. Likewise, the World Bank estimated growth of 0.7 percent and 1.0 percent in 2024 and 2025 for the Japanese economy, and the OECD projected output of 0.5 percent and 1.1 percent in 2024 and 2025, respectively.

2.2. Emerging Market and Developing Economies

Growth in Emerging Market and Developing Economies is expected to be stable in 2024, and 2025. Growth in EMDEs is projected to be stable at 4.3 percent in 2024 and 2025, respectively. The projection for 2024 and 2025 represents an upward revision of 0.1 percentage point from the April 2024 WEO on account of stronger activity in China and India during the first half of the year. Similarly, the World Bank projects growth in EMDEs to be stable at 4.0 percent for 2024 and 2025.

Economic growth in China is expected to decelerate in 2024 and 2025. Output in the Chinese economy is projected to slow to 5.0 percent and 4.5 percent in 2024 and 2025 respectively, from 5.2 percent recorded in 2023. The expected deceleration in growth is mainly because of headwinds from aging and slowing productivity growth. This projection reflects an upward revision of 0.4 percentage point for 2024 and 2025 on account of a rebound in private consumption and strong exports in the first half of the year. In the same vein, the World Bank estimated growth in China to moderate to 4.8 percent and 4.1 percent in 2024 and 2025, respectively.

The Russian economy is expected to register slow growth in 2024 and 2025. Real GDP growth in Russia is projected to decrease to 3.2 percent and 1.5 percent in 2024 and 2025

respectively, from 3.6 percent recorded in 2023. The deceleration is mainly on account of base effects as high investment and robust private consumption measures that supported growth will diminish. In addition, the anticipated scaling back provision of mortgage subsidising is expected to reduce private demand for housing. The projected growth for 2024 and 2025 is an upward revision of 0.6 percentage point and 0.7 percentage point from the January 2024 WEO. Similarly, the World Bank expects output in Russia to decelerate to 2.9 percent and 1.4 in 2024 and 2025, and the OECD projects Real GDP to slow to 2.6 percent and 1.0 percent in 2024 and 2025 respectively.

India's economic growth is projected to moderate downwards in 2024 and 2025. Growth in India is projected to moderate to 7.0 percent and 6.5 percent in 2024 and 2025, from 8.2 percent registered in 2023. This moderation is mainly due to a slowdown in investment from a high base. Despite the moderation, the Indian economy is projected to remain strong in 2024 and 2025 on account of strong domestic demand as the working-age population rises, coupled with the recovery of agricultural production. Likewise, the World Bank projects economic growth in India to slow down to 6.6 percent in 2024 before recovering to 6.7 percent in 2025 on account of private and public investments. While the OECD projects stable growth of 6.6 percent for 2024 and 2025 respectively.

In Brazil, economic growth is projected to slow in 2024 before improving in 2025. Growth in Brazil is estimated to weaken to 2.1 percent in 2024, mainly on the back of fiscal consolidation, as the government resumes efforts to improve fiscal sustainability. The lagged effect of tight monetary policy further explains the slowdown in growth projections. However, growth is projected to recover to 2.4 percent in 2025 on account of improved agricultural output. Similarly, the World Bank projects growth in Brazil to slow to 2.0 percent in 2024 before improving to 2.2 in 2025 on account of the expected monetary policy easing to support private consumption and investment.

Global growth is expected to slow in 2024 before improving slightly in 2025, the balance of risks to the global outlook includes new price spikes stemming from geopolitical tensions, persistent core inflation, weaker-than-expected growth in China as well as a limited fiscal room. The escalation of geopolitical tensions could have adverse impacts on global growth through commodity markets, trade, and financial linkages. Stubbornly elevated core inflation in advanced economies could forestall anticipated monetary easing, tighten financial conditions, including in EMDEs, and weigh on global growth. A large and more prolonged drop in real estate investment could occur in China, resulting in reduced demand for housing and further weakening investment confidence with implications on global growth. Fiscal consolidation is necessary in many advanced and emerging markets and developing economies to curb debt-to-GDP ratios and rebuild capacity for weathering future shocks.

3. Regional Outlook

The Sub-Saharan Africa (SSA) economic growth is expected to increase in 2024 and 2025. Economic growth in the SSA region is projected at 3.7 percent and 4.1 percent in 2024 and 2025 as the negative effects of expected weather shocks subside, coupled with gradual improvement in the supply chain. The forecast for 2024 reflects a downward revision of 0.1 percentage points owing to a weak outlook for Nigeria. Similarly, the World Bank projects growth for the SSA region to accelerate to 3.5 percent and 3.9 percent in 2024 and 2025, as fading inflationary pressures are expected to result in ease of monetary policies, which will support private consumption and investment in the region.

Growth in the South African economy is projected to improve in 2024 and 2025. South Africa's growth is expected to improve to 0.9 percent and 1.2 percent in 2024 and 2025 but will remain subdued as persistent structural constraints continue to limit near- and longer-term economic prospects. Fiscal pressures persist on account of weak revenues and rising public sector wages. Although energy sector reforms are expected to improve energy supply in the medium term, broader reforms are necessary to lift private sector dynamism. Likewise, the World Bank estimated the Real GDP in South Africa to grow to 1.2 percent and 1.3 percent in 2024 and 2025 respectively. The South African Reserve Bank (SARB) expects growth for the South African economy to improve to 1.2 percent and 1.4 percent in 2024 and 2025, respectively.

Nigeria's economic growth prospects are expected to pick up in 2024 before moderating in 2025. Growth in Nigeria is expected to increase to 3.1 percent in 2024 from 2.9 percent recorded in 2023. The projected increase in growth mainly reflects the macroeconomic reforms that are expected to gradually improve economic conditions coupled with a gradual recovery in oil production. However, growth is expected to moderate to 3.0 percent in 2025, on account of expected tight monetary policies to curb short-term inflation. The forecast for 2024 represents a 0.2 downward revision from the April 2024 WEO, ascribed to weaker-than-expected activity in the first half of the year. However, the World Bank, projects growth in Nigeria to increase to 3.3 percent and 3.5 percent in 2024 and 2025, respectively, as production somewhat recovers.

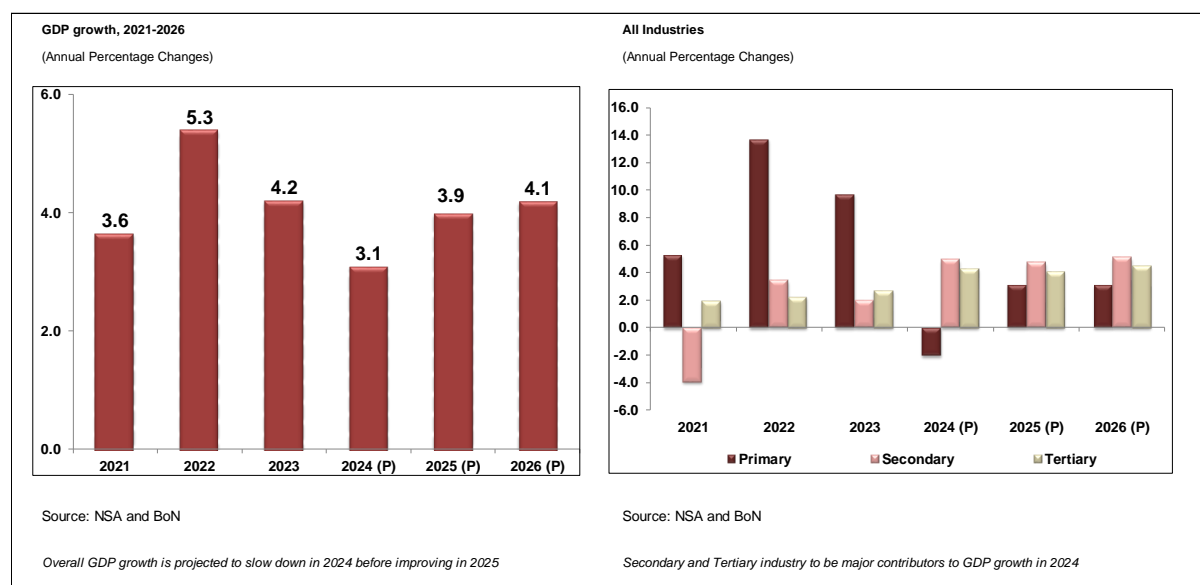
Angola's economic performance is projected to improve in 2024 and 2025. Growth in Angola is expected to accelerate to 2.6 percent and 3.1 percent in 2024 and 2025 from a low growth of 0.5 percent recorded in 2023. This is mainly on account of a recovery in the non-oil sector. Similarly, the World Bank estimates growth in Angola to increase to 2.9 percent in 2024 before slowing to 2.6 percent in 2025, on the back of restrictive monetary policies coupled with a limited fiscal stance.

Risks to growth in the SSA region include increasing global geopolitical tensions, especially an escalation of conflict in the Middle East, China’s recovery faltering as well as increased frequency and intensity of adverse weather events. The conflict in Gaza could escalate further into the wider region which could constrain cross-border flows of food, fuel, and fertilizer, causing additional price volatility. The ongoing war in Ukraine as well as the continued attacks in the Red Sea, could generate additional supply shocks and adversely affect the global recovery. Weaker-than-expected growth in China could have negative global spillovers through commodity markets and trade channels. Extreme weather events continue presenting risks to both near and long-term growth for the region.

4. Domestic Outlook

Namibia's GDP growth is projected to decelerate in 2024 before rebounding in 2025, primarily due to weak global demand and adverse weather effects. The domestic economy is expected to grow by 3.1 percent in 2024 and then expand by 3.9 percent in 2025 (Figure 1). The projected growth rate for 2024 indicates a slowdown from the 4.2 percent achieved in 2023 and a downward revision from the 3.7 percent forecast in March 2024 (Appendix IV). The anticipated sluggish growth in 2024 is primarily driven by subdued global demand and the prevailing drought conditions. The weak global demand is anticipated to negatively affect Namibia's mining sector, particularly impacting growth for diamonds and zinc. Additionally, uranium production is expected to be constrained by strip-mining activities as mines try to expand their mining pits. Furthermore, the adverse effects of drought on the agriculture and water sectors are expected to exacerbate the overall economic performance.

Figure 1: Overall growth and growth by major industry



4.1 Primary Industries

Primary industries are expected to register a contraction in 2024 on the back of the drought and reduced demand for minerals, before recovering in 2025. The industry is anticipated to experience a marked deceleration, with growth projected at -2.0 percent compared to the robust 9.7 percent recorded in 2023. However, a moderate recovery is expected in 2025, with growth forecast at 3.1 percent. This growth trajectory is shaped by poor performance within the agriculture and mining sectors. In the March 2023 Economic Outlook update, primary industries were anticipated to grow by 1.7 percent and 4.5 percent in 2024 and 2025, respectively (Appendix IV). The 2024 growth for primary industries has been

adjusted downwards to reflect the severe impact of the drought, which is likely to have a significant effect on crop farming during 2024.

The agriculture, forestry and fishing sector is expected to further contract in 2024 before improving slightly in 2025. The sector contracted by 3.4 percent in 2023, and this decline is expected to intensify to 4.9 percent in 2024 before moderating to a minor contraction of 0.1 percent in 2025. This downward trend is primarily attributed to the crop farming subsector, which is anticipated to experience a severe downturn from a decline of 31.7 percent in 2023 to a deeper contraction of 34.5 percent in 2024 due to persistent drought conditions. Conversely, the livestock subsector is expected to record a robust growth of 6.6 percent in 2024, down slightly from 9.1 percent in 2023. Growth in livestock farming is driven by increased livestock marketing necessitated by the drought. However, livestock growth is projected to decline in 2025 as herd rebuilding efforts commence.

Growth for diamond mining is projected to turn negative in 2024 on the back of reduced global demand and high base effects from 2023. Following a strong performance in 2023, the diamond mining sector is poised for a contraction of 4.4 percent in 2024 before recovering to 5.7 percent growth in 2025. The estimated contraction in 2024 is largely attributed to the reduced demand for the precious stone due to subdued growth in the world economy, switching of demand in the luxury segment from jewellery to travelling and increasing competition from lab-grown diamonds. These factors exerted a downward pressure on prices for natural diamonds and producers are expected to cut supply during 2024 to induce a recovery in prices.

The uranium mining sector is anticipated to experience a slowdown in 2024, following robust growth in 2023. This projected slowdown is reflected in the anticipated growth rate of 3.6 percent for 2024 compared to 24.3 percent in 2023. The moderation is primarily attributed to stripping activities currently underway at certain mines, which are expected to impact production volumes in the near term. However, a resurgence in growth is expected in 2025, with a projected growth rate of 5.2 percent. These growth estimates for 2024 and 2025 have remained unchanged, from the March 2024 Economic Outlook update.

The metal ores sub-sector is projected to contract in 2024 and 2025. The metal ores sector is expected to contract by 3.5 percent and 0.6 percent in 2024 and 2025, respectively, from a robust growth of 28.9 recorded in 2023. This decline is attributed to reduced production for both gold and zinc subsectors. Gold production is expected to reduce over time due to the depletion of resources, while the anticipated fall in zinc production is a result of depressed zinc prices.

Growth for other mining and quarrying (which include oil exploration) is expected to moderate but remain robust during 2024. The other mining and quarrying subsector is

expected to grow by 9.2 percent and 4.6 percent in 2024 and 2025, respectively, a significant reduction from growth of 37.2 percent registered in 2023. The anticipated slowdown in 2024 is on account of base effects following intensive oil exploration and drilling in the previous years. These projections reflect upward revisions of 0.5 percentage points in 2024 and 0.3 percentage points in 2025, respectively, when compared to corresponding projections published in the March 2024 Economic Outlook update.

Figure 2: Growth in primary and secondary industries¹



¹ Data for charts is sourced from NSA for the period 2021 to 2023, while projections are done by Bank of Namibia.

4.2 Secondary Industries

The secondary industry's outlook for 2024 and 2025 is characterized by significant improvement in growth, driven by better performances for electricity and water, manufacturing and construction. In 2024, secondary industries are projected to expand by 4.9 percent, significantly higher than the modest 2.0 percent growth recorded in 2023. This strong performance is expected to continue into 2025, with a growth rate of 4.7 percent. The positive trajectory of the secondary industry is largely driven by improved growth for electricity and water, and recoveries for manufacturing and construction sectors (Appendix III).

The manufacturing sector exhibits positive signs of a substantial recovery following a contraction in 2023. The sector is expected to grow by 3.9 percent in 2024 and further accelerate to 4.4 percent in 2025, after a contraction of 3.2 percent in 2023. This resurgence is fuelled by substantial gains in the beverage subsector, which is anticipated to rebound to 9.4 percent growth in 2024 from a decline of 29.2 percent in 2023. This improvement is attributed to increased production of soft drinks. Additionally, the grain mill products subsector is expected to perform better, with growth rates rising to 7.1 percent in 2024 and to 11.1 percent in 2025, from 4.3 percent growth in 2023.

The electricity and water sector, which saw stellar growth in 2023, is projected to remain resilient, albeit at a more moderate pace. Growth is expected to be 9.4 percent in 2024 and 4.5 percent in 2025. This sector's performance reflects better inflows into the Ruacana hydro plant that increased electricity generation during 2024, and ongoing investments and operational efficiencies that continue to support its expansion.

Conversely, the construction sector remains weak within the secondary industries, despite a substantial increase in the Government's construction budget. After contracting by 0.2 percent in 2023, the sector is expected to see a modest recovery with projected 3.5 percent and 7.1 percent growth rates for 2024 and 2025, respectively. However, the latest projected growth for 2024 was revised down from 11.6 percent published in the March 2024 Economic Outlook update. This adjustment reflects the sector's observed year-to-date performance, where low execution rates have hindered a more robust recovery.

4.3 Tertiary Industries

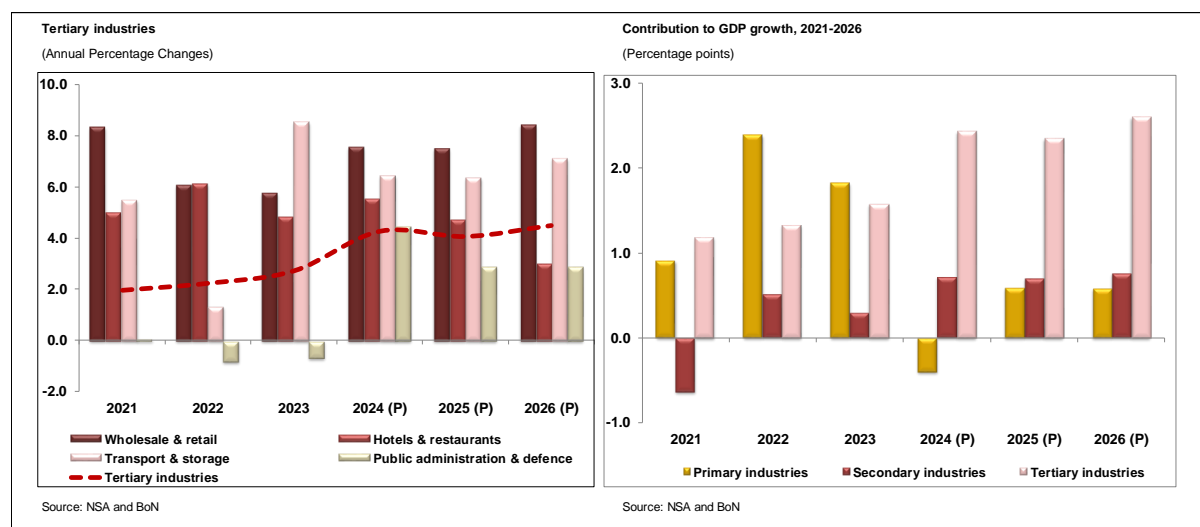
The tertiary industry is projected to experience significant growth in 2024 and 2025. The tertiary industry is projected to register improved growth in 2024 and 2025, with anticipated growth rates of 4.2 percent and 4.0 percent, respectively, building on the 2.7 percent growth recorded in 2023. The improvement in growth for tertiary industries during 2024 is primarily driven by the wholesale and retail trade, public administration and defence, and hotels and restaurants. The 2024 growth estimate for tertiary industries was revised downwards by 0.2 percentage point, when compared to the estimates published in the March 2024 Economic Outlook update.

The significant expansion in wholesale and retail trade is bolstered by rising wholesale and clothing sales. The sector is projected to expand by 7.5 percent in both 2024 and 2025, following a growth of 5.8 percent in 2023. Despite inflationary pressure, the increase is on account of improved consumer demand in wholesale and clothing subsectors, coupled with increased vehicle sales fuelled by growth in tourism-related activities.

The hotels and restaurants sector continues to show strong performance, underpinned by sustained support for tourism activities. The sector grew by 4.8 percent in 2023 and is expected to further expand by 5.5 percent in 2024 and by 4.7 percent in 2025. This consistent growth highlights the resilience attributable to the tourism industry.

The public administration and defence sector is set for a remarkable turnaround. After contracting by 0.7 percent in 2023, the sector is anticipated to grow by 4.5 percent in 2024 and 2.9 percent in 2025. The primary driver of growth in this sector is the planned recruitment of additional staff as a result of increased budgetary allocations, and tax relief initiatives, which are anticipated to enhance consumption spending.

Figure 3: Growth in tertiary industries and overall GDP



5. Conclusions

Global growth is expected to slow in 2024 before rising slightly in 2025. Global growth is projected to slow to 3.2 percent in 2024 before improving slightly to 3.3 percent in 2025. The sluggish global growth for 2024 and 2025 reflects an upside risk of inflation as escalating trade tensions and policy uncertainty increase, which raises the prospect of higher interest rates by central banks. Growth in Advanced economies is expected to remain stable in 2024 before rising marginally in 2025. Whereas emerging market and developing economies are expected to experience stable growth through 2024 and 2025.

Domestic growth is projected to slow down in 2024 before improving in 2025. Real GDP growth is anticipated to slow down to 3.1 percent in 2024 before accelerating to 3.9 percent in 2025. This moderation in growth during 2024 is primarily attributed to a subdued performance within the primary sector, particularly in mining and agriculture. The latest estimate for the 2024 GDP growth represents a downward revision from 3.7 percent published in the March 2024 Economic Outlook update. When compared to March 2024 projections, the downgrading of 2024 growth is mainly based on worse than earlier anticipated performance for the whole primary sector and for the construction sector.

The domestic growth projections for Namibia face substantial risks from global monetary policy tightening, adverse drought effects, and weakened global commodity demand. The global trend of tight monetary conditions could continue to dampen purchasing power and consumption. Drought conditions threaten agricultural output, while strained water resources could disrupt various sectors. Additionally, weakened global commodity demand, particularly for diamonds and zinc, could lead to a deterioration in the mining sector's performance.

6. APPENDICES

Appendix I: Forecasting Assumptions

- The **Agriculture, forestry and fishing sector** is projected to experience a contraction in growth throughout 2024 and 2025. This deceleration is primarily attributed to the anticipated severe drought conditions associated with the expected El Niño event.
- The **diamond mining** sector is expected to register a contraction during 2024 and relatively low growth rates during the remainder of the forecast period, mainly due to weakened global demand and shifting of demand from natural diamonds to lab-grown diamonds.
- Growth of the **uranium mining sector** is expected to slow in 2024 on account of stripping activities at some of the mines. Uranium growth is then anticipated to increase in 2025, supported by improved spot prices.
- The **metal ores sub-sector** is projected to contract in 2024 and 2025, following robust growth in 2023, attributed to reduced production due to depressed zinc prices and anticipated scaling down in gold production.
- **Overall real GDP growth** is expected to decelerate in 2024 and rebound in 2025. The slowdown reflects subdued global demand impacting the mining sector, especially diamond and zinc production, alongside constraints in uranium output due to strip-mining activities. Adverse drought conditions further add to economic challenges, particularly affecting agriculture and water sectors.

Appendix II: World Economic Output (annual percentage change)

Regions	Actual	Projections		Differences from April 2024 WEO	
	2023	2024	2025	2024	2025
World Output	3.3	3.2	3.3	0.0	0.1
Advanced Economies	1.7	1.7	1.8	0.0	0.0
United States	2.5	2.6	1.9	-0.1	0.0
Euro Area	0.5	0.9	1.5	0.1	0.0
Germany	-0.2	0.2	1.3	0.0	0.0
France	1.1	0.9	1.3	0.2	-0.1
Italy	0.9	0.7	0.9	0.0	0.2
Spain	2.5	2.4	2.1	0.5	0.0
Japan	1.9	0.7	1.0	-0.2	0.0
United Kingdom	0.1	0.7	1.5	0.2	0.0
Canada	1.2	1.3	2.4	0.1	0.1
Other Advanced Economies	1.8	2.0	2.4	0.0	-0.2
Emerging Market and Developing Economies	4.4	4.3	4.3	0.1	0.1
China	5.2	5.0	4.5	0.4	0.4
India	8.2	7.0	6.5	0.2	0.0
Russia	3.6	3.2	1.5	0.0	-0.3
Brazil	2.9	2.1	2.4	-0.1	0.3
Mexico	3.2	2.2	1.6	-0.2	0.2
Sub-Saharan Africa	3.4	3.7	4.1	-0.1	0.1
Nigeria	2.9	3.1	3.0	-0.2	0.0
South Africa	0.7	0.9	1.2	0.0	0.0
Angola	0.5	2.6	3.1	0.3	-0.2

Source: IMF World Economic Outlook update, July 2024

Appendix III: Real GDP Growth (percent)

Industry	2021	2022	2023	2024	2025	2026
Agriculture, forestry and fishing	1.6	1.7	-3.4	-4.9	-0.1	1.3
Livestock farming	-2.8	-1.9	9.1	6.6	-3.6	-0.6
Crop farming and forestry	5.5	4.3	-31.7	-34.5	-2.6	-2.6
Fishing and fish processing on board	1.9	2.3	10.8	2.0	3.3	3.9
Mining and quarrying	8.7	24.0	18.9	-0.4	4.9	4.0
Diamond mining	0.0	45.1	10.9	-4.4	5.7	6.5
Uranium	15.3	-2.5	24.5	3.6	5.2	3.2
Metal Ores	0.3	1.5	28.9	-3.5	-0.6	-11.8
Other mining and quarrying	37.5	6.7	37.2	9.2	4.6	4.1
Primary industries	5.3	13.7	9.7	-2.0	3.1	3.1
Manufacturing	-1.2	5.2	-3.2	3.9	4.4	5.0
Meat processing	-2.1	17.3	8.0	4.4	3.9	3.0
Grain Mill products	8.7	3.9	4.3	7.1	11.1	9.1
Other food products	-4.9	3.1	8.1	3.6	4.3	4.0
Beverages	17.1	5.5	-29.2	9.4	3.6	4.9
Textile and wearing apparel	21.6	13.3	3.5	-0.2	5.6	7.0
Leather and related products	22.8	-13.0	-10.9	1.6	4.4	3.4
Wood and wood products	8.3	3.6	2.8	3.2	3.2	3.1
Publishing and Printing	-4.9	-0.3	-3.6	-4.9	-3.0	-4.8
Chemical and related products	-8.1	-3.1	0.4	5.0	4.7	5.4
Rubber and Plastics products	-5.8	0.5	8.6	4.5	6.6	5.6
Non-metallic minerals products	-4.8	-8.3	-6.2	-0.2	4.8	3.2
Basic non-ferrous metals	-44.4	-13.9	-4.8	3.4	2.9	3.0
Fabricated Metals	4.4	-5.1	4.5	3.5	4.0	2.7
Diamond processing	-12.8	33.7	-12.4	-3.5	-6.0	2.7
Other manufacturing	10.5	2.0	6.4	3.5	4.1	3.8
Electricity and water	-9.6	11.9	27.9	9.4	4.5	5.0
Construction	-12.4	-18.4	-0.2	3.5	7.1	7.9
Secondary industries	-3.9	3.4	2.0	4.9	4.7	5.1
Wholesale and retail trade, repairs	8.3	6.1	5.8	7.5	7.5	8.4
Hotels and restaurants	5.0	6.1	4.8	5.5	4.7	3.0
Transport and Storage	5.5	1.3	8.5	6.4	6.3	7.1
Transport	4.6	-0.8	8.2	6.5	5.8	6.9
Storage	8.2	7.6	9.2	6.2	7.7	7.7
Information and Communication	6.9	2.5	0.4	1.8	1.0	0.9
Financial and insurance service activities	-5.1	1.0	3.2	3.6	3.7	3.5
Real estate activities	2.8	1.1	1.0	1.7	2.3	2.7
Professional, scientific and technical services	1.4	5.0	5.0	4.4	4.5	4.6
Administrative and support services	-4.2	3.9	7.7	5.0	5.5	7.1
Arts, Entertainment & Other Service activities	-9.4	-3.1	2.8	2.2	4.6	3.2
Public administration and defence	0.1	-0.8	-0.7	4.5	2.9	2.9
Education	2.4	1.6	3.5	3.0	2.8	2.7
Health	4.9	7.9	0.0	3.4	3.6	3.7
Private household with employed persons	5.0	3.1	8.0	6.2	7.3	6.2
Tertiary industries	1.9	2.2	2.7	4.2	4.0	4.5
All industries at basic prices	1.5	4.6	4.0	3.0	4.0	4.3
Taxes less subsidies on products	37.6	14.7	5.7	3.6	3.8	4.1
GDP at market prices	3.6	5.3	4.2	3.1	3.9	4.1

Source: NSA (2021-2023), BoN (2024-2026)

Appendix IV: Adjustments to real growth rates

	Actual	Current Projections			Differences from March 2024 update		
	2023	2024	2025	2026	2024	2025	2026
Agriculture, forestry and fishing	-3.4	-4.9	-0.1	1.3	-4.0	-4.0	-2.9
Livestock farming	9.1	6.6	-3.6	-0.6	3.0	-9.0	-5.3
Crop farming and forestry	-31.7	-34.5	-2.6	-2.6	-21.5	-5.3	-6.8
Fishing and fish processing on board	10.8	2.0	3.3	3.9	0.0	0.0	0.0
Mining and quarrying	18.9	-0.4	4.9	4.0	-3.5	0.0	0.0
Diamond mining	10.9	-4.4	5.7	6.5	-6.5	0.0	0.0
Uranium	24.5	3.6	5.2	3.2	0.0	0.0	0.0
Metal Ores	28.9	-3.5	-0.6	-11.8	0.0	0.0	0.0
Other mining and quarrying	37.2	9.2	4.6	4.1	0.5	0.3	0.2
Primary industries	9.7	-2.0	3.1	3.1	-3.7	-1.4	-1.0
Manufacturing	-3.2	3.9	4.4	5.0	0.0	1.0	0.6
Meat processing	8.0	4.4	3.9	3.0	0.0	0.0	0.0
Grain Mill products	4.3	7.1	11.1	9.1	1.3	4.9	3.1
Other food products	8.1	3.6	4.3	4.0	0.0	0.0	0.0
Beverages	-29.2	9.4	3.6	4.9	0.0	0.0	0.0
Textile and wearing apparel	3.5	-0.2	5.6	7.0	-3.0	0.0	0.0
Leather and related products	-10.9	1.6	4.4	3.4	-0.6	-1.3	-1.3
Wood and wood products	2.8	3.2	3.2	3.1	0.2	0.3	0.4
Publishing and Printing	-3.6	-4.9	-3.0	-4.8	-3.2	-4.2	-5.6
Chemical and related products	0.4	5.0	4.7	5.4	0.9	1.1	1.5
Rubber and Plastics products	8.6	4.5	6.6	5.6	1.4	2.0	1.7
Non-metallic minerals products	-6.2	-0.2	4.8	3.2	-3.8	-1.0	-2.6
Basic non-ferrous metals	-4.8	3.4	2.9	3.0	0.0	0.0	0.0
Fabricated Metals	4.5	3.5	4.0	2.7	0.0	0.0	-1.2
Diamond processing	-12.4	-3.5	-6.0	2.7	0.0	0.0	0.0
Other manufacturing	6.4	3.5	4.1	3.8	0.0	0.0	0.0
Electricity and water	27.9	9.4	4.5	5.0	11.9	-1.0	0.0
Construction	-0.2	3.5	7.1	7.9	-8.1	2.0	3.0
Secondary industries	2.0	4.9	4.7	5.1	1.7	0.7	0.4
Wholesale and retail trade, repairs	5.8	7.5	7.5	8.4	0.0	0.0	0.0
Hotels and restaurants	4.8	5.5	4.7	3.0	0.0	0.0	0.0
Transport and Storage	8.5	6.4	6.3	7.1	0.0	0.4	0.6
Transport	8.2	6.5	5.8	6.9	0.0	0.3	0.3
Storage	9.2	6.2	7.7	7.7	0.0	1.0	1.3
Information and Communication	0.4	1.8	1.0	0.9	-0.9	-1.1	-1.5
Financial and insurance service activities	3.2	3.6	3.7	3.5	0.0	0.2	0.3
Real estate activities	1.0	1.7	2.3	2.7	-1.6	-0.7	-0.9
Professional, scientific and technical services	5.0	4.4	4.5	4.6	-1.0	-0.7	-0.9
Administrative and support services	7.7	5.0	5.5	7.1	0.0	1.3	1.7
Arts, Entertainment & Other Service activities	2.8	2.2	4.6	3.2	-1.1	-1.5	-2.0
Public administration and defence	-0.7	4.5	2.9	2.9	0.0	0.0	0.0
Education	3.5	3.0	2.8	2.7	0.0	0.0	0.0
Health	0.0	3.4	3.6	3.7	0.0	0.0	0.0
Private household with employed persons	8.0	6.2	7.3	6.2	1.6	2.4	1.8
Tertiary industries	2.7	4.2	4.0	4.5	-0.2	-0.1	-0.1
All industries at basic prices	4.0	3.0	4.0	4.3	-0.7	-0.2	-0.2
Taxes less subsidies on products	5.7	3.6	3.8	4.1	0.0	0.0	0.0
GDP at market prices	4.2	3.1	3.9	4.1	-0.6	-0.2	-0.2

Source: NSA (2023), BoN (2024-2026)

Appendix V: GDP at Current Prices (N\$ million)

Industry	2021	2022	2023	2024	2025	2026
Agriculture, forestry and fishing	17,528	18,005	17,585	17,464	18,459	19,824
Livestock farming	7,315	6,652	6,309	7,060	7,145	7,459
Crop farming and forestry	5,365	6,007	4,859	3,330	3,406	3,483
Fishing and fish processing on board	4,848	5,346	6,416	7,073	7,907	8,883
Mining and quarrying	16,495	24,418	32,889	35,019	39,476	42,845
Diamond mining	5,710	11,624	14,266	14,361	15,985	18,089
Uranium	3,078	4,145	4,768	5,230	5,498	5,836
Metal Ores	6,451	6,773	10,705	11,673	13,665	13,907
Other mining and quarrying	1,256	1,875	3,149	3,755	4,329	5,013
Primary industries	34,023	42,423	50,473	52,483	57,935	62,670
Manufacturing	19,753	22,835	25,595	29,943	36,038	43,641
Meat processing	1,235	1,245	1,163	1,144	1,073	1,020
Grain Mill products	2,714	3,516	4,491	5,801	7,832	10,345
Other food products	5,058	5,559	6,958	8,016	9,488	11,080
Beverages	2,625	2,879	3,017	4,159	5,905	8,148
Textile and wearing apparel	559	632	674	681	735	800
Leather and related products	329	320	340	399	489	589
Wood and wood products	742	822	869	940	1,007	1,083
Publishing and Printing	380	421	462	494	542	582
Chemical and related products	1,023	1,170	1,267	1,390	1,521	1,675
Rubber and Plastics products	421	496	562	611	678	744
Non-metallic minerals products	652	651	670	731	839	949
Basic non-ferrous metals	639	600	591	649	700	762
Fabricated Metals	676	723	793	893	993	1,101
Diamond processing	1,967	2,999	2,801	2,981	3,038	3,412
Other manufacturing	734	802	937	1,053	1,197	1,352
Electricity and water	5,339	5,456	6,817	8,040	9,142	10,527
Construction	3,224	2,940	3,092	3,476	3,984	4,582
Secondary industries	28,316	31,231	35,504	41,459	49,163	58,750
Wholesale and retail trade, repairs	19,586	23,430	25,016	28,783	33,019	38,505
Hotels and restaurants	2,524	3,005	3,474	3,967	4,621	5,280
Transport and Storage	5,409	6,172	7,112	8,112	9,212	10,559
Transport	3,661	4,204	4,900	5,674	6,498	7,532
Storage	1,748	1,968	2,212	2,439	2,714	3,027
Information and Communication	2,924	2,834	2,914	2,921	2,966	2,987
Financial and insurance service activities	13,187	13,995	15,464	16,993	18,781	20,688
Real estate activities	10,502	10,749	11,030	11,747	12,525	13,215
services	1,047	1,066	1,093	1,162	1,190	1,212
Administrative and support services	1,796	2,030	2,282	2,532	2,822	3,190
Arts, Entertainment & Other Service activities	3,001	3,053	3,407	3,669	4,049	4,513
Public administration and defence	18,878	19,391	19,979	21,829	23,510	25,147
Education	19,171	20,078	21,331	23,086	24,719	26,137
Health	6,733	6,867	7,021	7,412	7,875	8,213
Private household with employed persons	1,235	1,351	1,545	1,727	1,957	2,203
Tertiary industries	105,991	114,020	121,670	133,943	147,248	161,849
All industries at basic prices	168,330	187,673	207,648	227,884	254,346	283,268
Taxes less subsidies on products	14,962	17,875	20,183	22,070	24,314	26,395
GDP at market prices	183,292	205,549	227,831	249,955	278,660	309,663

Source: NSA (2021-2023), BoN (2024-2026)