



Economic Outlook

-August 2026-

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1. Overview

Global economic growth is expected to decelerate in 2026, mainly due to disruptions associated with the conflict in the Middle East, before improving slightly in 2027. According to the July 2026 IMF World Economic Outlook (WEO) update, growth is forecasted to decrease to 3.0 percent in 2026 and then increase slightly to 3.4 percent in 2027, remaining below the 3.5 percent recorded in 2025. These projections represent a downward revision by 0.1 percentage points for 2026, while the projection for 2027 is upgraded by 0.2 percentage points relative to the forecasts published in the April 2026 WEO (Appendix II). Similarly, the World Bank projects global growth of 2.5 percent in 2026, marking the weakest pace since the COVID-19 pandemic. The OECD also projects global GDP growth to slow from 3.4 percent in 2025 to 2.8 percent in 2026, before improving to 3.1 percent in 2027, mainly driven by the conflict in the Middle East, which has triggered renewed inflationary pressure from higher energy prices.

In advanced economies, growth is projected to slow in both 2026 and 2027. The IMF projects growth in advanced economies (AEs) to drop from 1.9 percent in 2025 to 1.7 percent in 2026 and 1.8 percent in 2027, on account of monetary policy tightening, conflict in the Middle East, and softer demand momentum. These forecasts were revised downward for 2026 and upward for 2027 relative to the April 2026 WEO. The World Bank projects growth of 1.5 percent and 1.8 percent for advanced economies in 2026 and 2027, respectively.

Growth in Emerging Market and Developing Economies (EMDEs) is projected to decline in 2026 before a recovery in 2027. Growth in EMDEs is expected to slow to 3.8 percent in 2026 before improving to 4.5 percent in 2027, from 4.5 percent recorded in 2025. The latest growth estimate for 2026 reflects a downward revision of 0.1 percentage point, from the April 2026 WEO. The downward adjustment is due to the associated conflicts in the Middle East and geopolitical tensions, as well as a tightening of financing conditions in most EMDEs.

Growth in Sub-Saharan African economies is expected to decline in 2026 before increasing modestly in 2027. GDP growth in the Sub-Saharan African (SSA) region is projected to fall slightly from 4.5 percent in 2025 to 4.3 percent in 2026 and increase to 4.5 percent in 2027. Similarly, the World Bank forecasts growth in SSA economies at 4.1 percent in 2026 and 4.2 percent in 2027.

Namibia's economic growth is projected to improve slightly in 2026, mainly due to reduced contraction in the primary sector. Real GDP growth is expected to pick up to 2.1 percent in 2026, from 1.7 percent registered for 2025. Concurrently, the current account deficit as a percentage of GDP is expected to narrow slightly but to remain in double digits throughout the forecast horizon.

2. Global Outlook

The IMF's WEO for July 2026 forecasts global economic growth to moderate downward in 2026 before picking up in 2027. The global growth has been revised downward in 2026 and slightly upward for 2027, respectively, from the April 2026 WEO (Appendix II). These revisions largely stem from the conflicts in the Middle East. Moreover, growth in advanced economies is projected to decline in 2026 and remain below the 2025 level, while that for emerging market and developing economies is expected to slow in 2026 but improve slightly in 2027. Similarly, the World Bank projects growth for AEs at 2.5 percent in 2026, the weakest pace since the COVID-19 pandemic.

2.1. Advanced Economies

Growth in Advanced Economies is projected to slow down in 2026 and 2027. Growth in advanced economies is projected to drop from 1.9 percent in 2025 to 1.7 percent in 2026 and 1.8 percent in 2027 (Appendix II). The growth for both 2026 and 2027 reflects slight revisions from the April 2026 WEO projections. Slight downward revisions for the Euro Area and the United States (US) led to a steady growth forecast for the AEs. The World Bank projects growth of 1.5 percent and 1.8 percent in 2026 and 2027 for advanced economies.

The United States' economic growth is projected to pick up slightly in 2026 before moderating in 2027. US economic growth is projected to expand by 2.3 percent in 2026, which is 0.2 percentage points higher than the 2025 growth rate, unchanged from the corresponding growth rate published in the April 2026 WEO. This reflects the balance of a marginal adverse effect from the war in the Middle East, given the net energy exporter status of the United States. Going forward, the US growth was revised slightly upward by 0.1 percentage points to 2.2 in 2027, attributed to the near-term fiscal boost from tax incentives, including those for corporate investment. Similarly, the World Bank estimates growth in the US economy at 2.2 percent and 2.1 percent in 2026 and 2027, while the OECD predicts the US economic growth to slow down to 2.0 percent and 1.8 percent in 2026 and 2027, respectively.

Growth in the Euro area is expected to decrease in 2026 and 2027. The Euro Area economic growth is projected to decline from 1.4 percent in 2025 to 0.9 percent in 2026, before recovering modestly to 1.2 percent in 2027.

The growth projections for 2026 have been lowered by 0.2 percentage points relative to the April 2026 WEO, while that of 2027 remained unchanged. While the final quarter of 2025 demonstrated unexpectedly resilient growth, this positive momentum is projected to be progressively overtaken by the macroeconomic headwinds stemming from the Middle East conflict. In the same vein, the World Bank projects Euro Area economic growth to slow to 0.8

percent in 2026, before slightly picking up to 1.3 percent in 2027. Similarly, the OECD projects the Euro area economic growth to remain modest at 0.8 percent in 2026, compared to 1.4 percent recorded in 2025, before picking up to 1.2 percent in 2027. Despite a challenging external environment, economic recovery in 2027 is expected to be propelled by several key internal drivers. Domestic demand is projected to strengthen, supported by rising real wages and expanding employment, alongside targeted fiscal stimulus, most notably Germany's increased expenditure on infrastructure and defence. Furthermore, previous monetary policy easing by the European Central Bank (ECB) will continue to reduce borrowing costs and stimulate economic activity. For Namibia, this European recovery presents strategic trade opportunities. Enhanced economic demand within the bloc is anticipated to drive growth in Namibian exports under the EU–SADC Economic Partnership Agreement.

Growth in the United Kingdom was revised upward for 2026 but remained unchanged for 2027. Economic growth in the UK is projected at 1.0 percent in 2026 and 1.3 percent in 2027, reflecting a 0.2 percentage point upgrade for 2026 compared with the April 2026 prediction. This revision is due to structural changes in the services sector and strong government support to boost economic activity. The World Bank projects UK economic growth to slow to 1.0 percent for both 2026 and 2027. Similarly, the OECD reduced the growth forecast for the UK to 0.9 percent in 2026 and 1.1 percent in 2027, respectively.

In Japan, growth is projected to decline both in 2026 and 2027. The Japanese economy is expected to slow to 0.6 percent and 0.7 percent in 2026 and 2027, respectively, from 1.2 percent in 2025, reflecting significant revisions relative to the April 2026 WEO. The expected sluggish growth is on the back of weaker domestic-demand-driven growth carryover from 2025, and the slower impact of government measures to limit the effects of higher energy prices coupled with the Middle East conflict. The World Bank, similarly, projects the Japanese economic growth to slow from 1.1 percent in 2025 to 0.7 percent in 2026. The OECD projects the Japanese economy to expand by 0.6 percent in 2026, before growth of 0.8 percent in 2027.

2.2. Emerging Markets and Developing Economies

Growth in Emerging Market and Developing Economies is expected to drop in 2026 before a slight uptick in 2027. Growth in EMDEs is projected to drop from 4.5 percent estimated in 2025 to 3.8 percent in 2026 before expanding to 4.5 percent in 2027. The latest growth projection is 0.1 percentage point lower when compared to that projected in the April 2026 WEO. The World Bank predicts growth for EMDEs to decrease from 4.4 percent in 2025 to 3.6 percent in 2026, while a modest pickup to 4.2 percent is expected in 2027.

Economic growth in China is expected to decelerate in 2026 and 2027. Output growth for the Chinese economy is projected at 4.6 percent and 4.1 percent for 2026 and 2027,

respectively, from 5.0 percent in 2025. The latest growth forecast for China reflects upward revisions of 0.2 percentage points for 2026 and 0.1 percentage points for 2027, relative to the April 2026 WEO estimates. The revisions reflect the lower US effective tariff rates on Chinese goods, and stimulus measures to offset the negative impact of the shock induced by the Middle East conflict. The deceleration in 2027 is on the back of structural headwinds from a slowdown in the housing sector, a declining labour force, decreasing returns on investment, coupled with slower productivity growth. The World Bank projected growth to decelerate to 4.2 percent in 2026 and 4.3 percent in 2027 from 5.0 percent in 2025.

The Russian economic growth is anticipated to remain broadly stable in 2026 and 2027.

Real GDP growth in Russia is projected to increase modestly from 1.0 percent in 2025 to 1.1 percent in 2026 and 2027. The latest estimate for 2026 and 2027 reflects no change from the April 2026 WEO. The expected improvement in 2026 growth is linked to anticipated increases in private consumption and investment amid reduced tightness in the labour market and slower wage growth. The World Bank projects Russia's growth to decelerate from 1.0 percent in 2025 to 0.8 percent in 2026 and 0.7 percent in 2027.

India's economic growth is projected to slow down in 2026 before an uptick in 2027.

Growth in India is projected to slow to 6.4 percent in 2026, before rising to 6.7 percent in 2027, from the 7.7 percent recorded in 2025. The expected decrease is supported by slower private consumption, particularly in rural areas. At the same time, the World Bank projected growth in India at 6.6 percent in 2026 and 7.2 percent in 2027, which is still the fastest among the world's largest economies. The latest growth forecast for 2026 reflects a downward revision by 0.1 percentage point relative to April 2026 projections.

In Brazil, economic growth is projected to accelerate in 2026 before moderating in 2027.

Growth in Brazil is estimated to improve from 2.3 percent in 2025 to 2.4 percent in 2026 before a slight downturn to 2.2 percent in 2027. The expected slowing growth in 2027 is due to weather-related factors affecting agriculture. The latest projection for 2026 reflects an upward revision by 0.5 percentage points relative to the April 2026 WEO. The World Bank in contrast expects Brazil's economic growth to fall from 2.3 percent in 2025 to 1.9 percent in 2026 and 2.0 percent in 2027. The slowing growth trend is linked to weaker consumption and investment growth amid tighter financial conditions and external headwinds.

3. Regional Outlook

The Sub-Saharan African region is expected to experience a marginal decline in economic growth during 2026, followed by a recovery in 2027. Economic growth within the SSA region is forecasted by the IMF at 4.3 percent in 2026, from 4.5 percent in 2025, before rising back to 4.5 percent in 2027. The projected steady growth in 2026 and 2027 is mainly due to supply chain disruptions particularly oil importing non resource intensive countries which adversely affected by the conflict in the Middle East. Similarly, the World Bank's projections for SSA suggest a growth of 4.0 percent in 2026 and 4.4 percent in 2027, with a downward revision of 0.3 percentage points in 2026, mainly due to expected weakening of external commodity demand.

Economic performance in South Africa is projected to remain stable in 2026, followed by a marginal uptick in 2027. South Africa's economic growth is projected to remain at 1.1 percent in 2026 before a slight uptick to 1.3 percent in 2027, from 1.1 percent in 2025. These projections for 2026 are revised upward, while those for 2027 remain unchanged relative to the April 2026 WEO. The weak growth outlook for South Africa stems from several factors, including diminishing confidence due to heightened uncertainty, the escalation of protectionist policies against the country, and a more pronounced economic slowdown in key trading partners, coupled with disruptions from the conflict in the Middle East. Similarly, the World Bank estimates South Africa's real GDP to grow modestly by 1.0 percent in 2026 and by 1.5 percent in 2027. The South African Reserve Bank (SARB) offers a slightly more optimistic outlook, forecasting economic growth to improve to 1.2 percent in 2026 and to 1.7 percent in 2027.

Similarly, Nigeria is expected to experience steady economic growth in 2026, followed by an uptick in 2027. Growth in Nigeria is projected at 4.1 percent in 2026 before expanding to 4.3 percent in 2027, up from 4.0 percent in 2025. These growth figures remain unchanged from previous forecasts, as the positive impact of improved public policies continues to stabilize macroeconomic conditions as expected. Similarly, the World Bank expects Nigeria's growth to rise to 4.1 percent in 2026 and 4.2 percent in 2027, as oil production is expected to somewhat recover.

Angola's economic performance is projected to slow in both 2026 and 2027. Angola's economic growth is projected to slow to 2.3 percent in 2026 and before improving to 2.6 percent in 2027, a slowdown from the 3.1 percent growth observed in 2025. This anticipated slowdown is primarily attributed to a deceleration within the non-oil sector alongside decline in oil production due to supply disruptions. Corroborating this trend, the World Bank estimates Angola's growth to decrease to 2.7 percent in 2026 and further slowing to 2.6 percent in 2027.

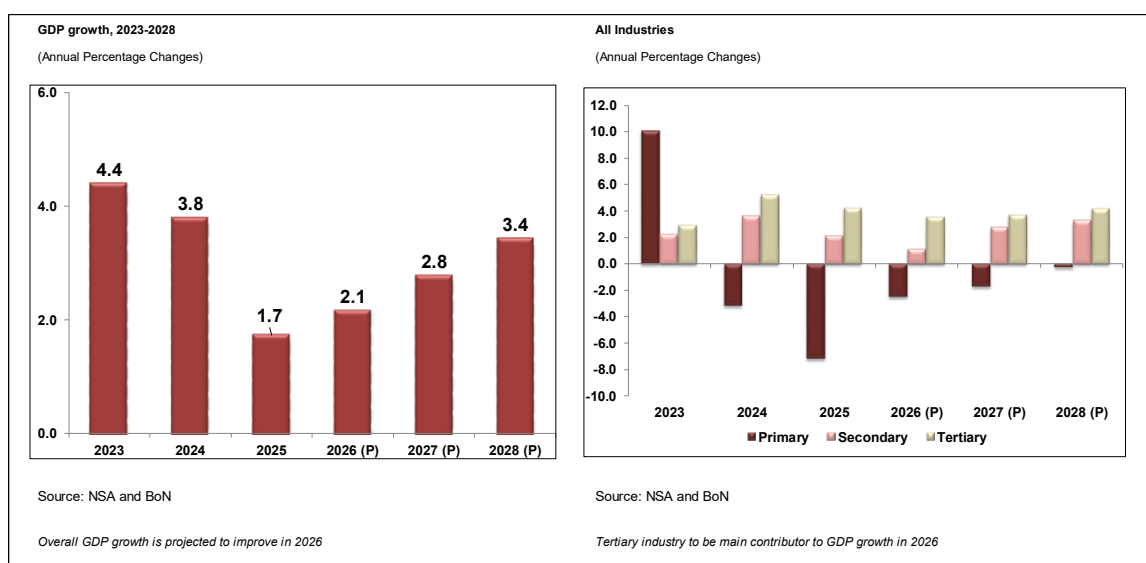
The World Bank is attributing a weak growth outlook for Angola to the implementation of restrictive monetary policies combined with a constrained fiscal stance.

Growing geopolitical tensions, especially an escalation of conflict in the Middle East, coupled with tighter global financial conditions and more severe weather events are among the key risks to growth in the SSA. SSA countries are facing a combination of significant risks that could hinder economic progress. First, risks stem from those countries with already high debt levels where rising interest rates will further increase debt-servicing costs, threatening both fiscal and financial stability. Second, a slowdown in global growth, along with rising trade tensions and falling commodity prices presents a notable challenge to regional growth. Countries that rely heavily on commodity exports remain vulnerable to external shocks (in example supply chain disruptions due to the war in the Middle East). Additional risks arise from the fact that nearly half of SSA's conflict-affected states suffer from deep institutional weaknesses, making them inherently prone to shocks. This vulnerability is worsened by potential aid cuts, particularly from major donors like USAID, the UK, and the Netherlands, which could significantly limit funding for these states. Lastly, natural disasters like droughts and floods regularly disrupt economies, reduce food production, and weaken growth resilience across the region. This is mainly due to SSA's heavy reliance on rain-fed farming and other climate-sensitive sectors, making it especially vulnerable to extreme weather events.

4. Domestic Economic Outlook

Namibia's GDP growth is projected to improve gradually in 2026 and 2027, following weak growth in 2025. Real GDP grew by 1.7 percent in 2025 and is projected to make a recovery to 2.1 percent in 2026, before strengthening further to 2.8 percent in 2027. The anticipated recovery in 2026 is underpinned by a rebound in agricultural output on the back of improved early-season rainfall, sustained strength in uranium mining, and continued robust growth in wholesale and retail trade and construction, notwithstanding the persistent deep contraction in diamond mining and metal ores. Growth is projected to strengthen further in 2027 as manufacturing returns to positive territory and the contraction in primary industries narrows. The 2026 growth estimate represents a downward revision of 0.5 percentage point relative to the March 2026 Economic Outlook update, as a deeper-than-anticipated contraction in diamond mining and softer construction activity outweigh the improved outlook for agriculture. (Figure 1). The prolonged war in the Middle East has further contributed to this poorer growth outlook, though increased input costs (mainly fuel), enhanced scarcity of some imported inputs (e.g., sulphur), and worsening of transportation and logistics.

Figure 1: Overall growth and growth by major industry

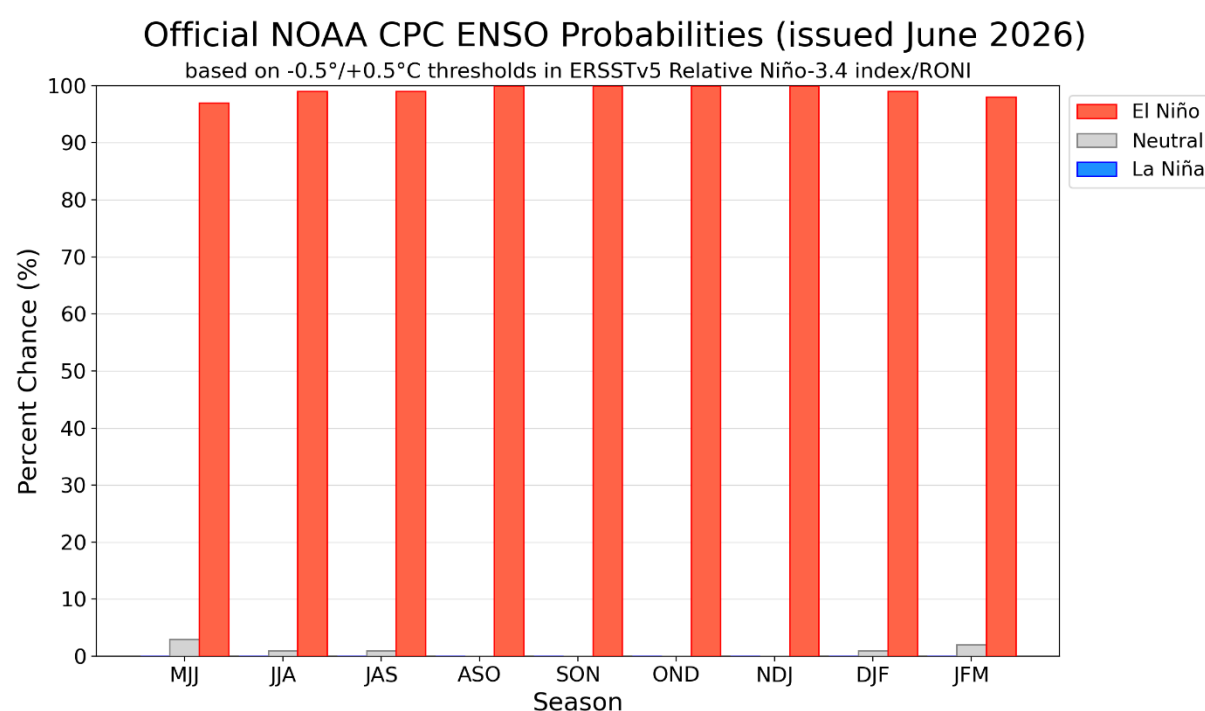


4.1 The Real Sector

Primary Industries

Primary industries are projected to remain in contraction in 2026, although the pace of decline is expected to narrow substantially, before turning positive marginally in 2027. Following a contraction of 7.2 percent in 2025, the sector is projected to contract by a much narrower 2.5 percent in 2026, before recovering to a marginal growth of 1.7 percent in 2027 (Figure 3). The improvement in 2026 mainly reflects a rebound in agriculture and sustained robust growth in uranium mining. Production of metal ores is projected to deteriorate sharply on account of reduced gold output and the continued structural decline in diamond mining. The latest projection for the primary sector represents a 2.2 percentage point downward revision on 2026 growth, from the March 2026 Economic Outlook update, as the deeper contraction in metal ores outweighs the improved outlook for agriculture.

Agriculture, forestry and fishing is projected to recover in 2026, before slowing slightly in 2027. Following a contraction of 3.3 percent in 2025, the sector is projected to grow by 3.6 percent in 2026, an upward revision of 0.8 percentage point from the March 2026 Economic Outlook update, before slowing to a growth of 1.9 percent in 2027. The improved 2026 outlook is mainly attributed to a strong start to the season, supported by favourable early-season rainfall that lifted crop farming and forestry output. However, the latest climate outlook by the National Oceanic and Atmospheric Administration (NOAA)'s Climate Prediction Centre (CPC) expects strong El Niño conditions from the August–October 2026 season, persisting through the first quarter of 2027 (Figure 2), and these conditions are expected to curtail crop farming and forestry output later in the year as the late-season planting window is disrupted. The impact is expected to intensify into 2027 as the peak effects on yields materialise, potentially delaying any significant recovery, following consecutive contractions over the last three years. Livestock farming, meanwhile, is expected to recover during 2026, before improving further in 2027.

Figure 2: Climate projection by NOAA

Source: NOAA Climate Prediction Centre, June 2026

Diamond mining is projected to remain in deep contraction in 2026, with the outlook revised down further, before the pace of decline narrows in 2027. Following a contraction of 19.4 percent in 2025, output is projected to contract by a further 11.7 percent in 2026, a downward revision of 6.0 percentage points from the March 2026 Economic Outlook update, and further contract to 12.3 percent in 2027. The continued weakness reflects persistently subdued global demand for natural diamonds, intensifying competition from lab-grown alternatives, and the lingering effects of international trade tariffs on the luxury goods segment, underscoring the structural rather than cyclical nature of the sector's decline.

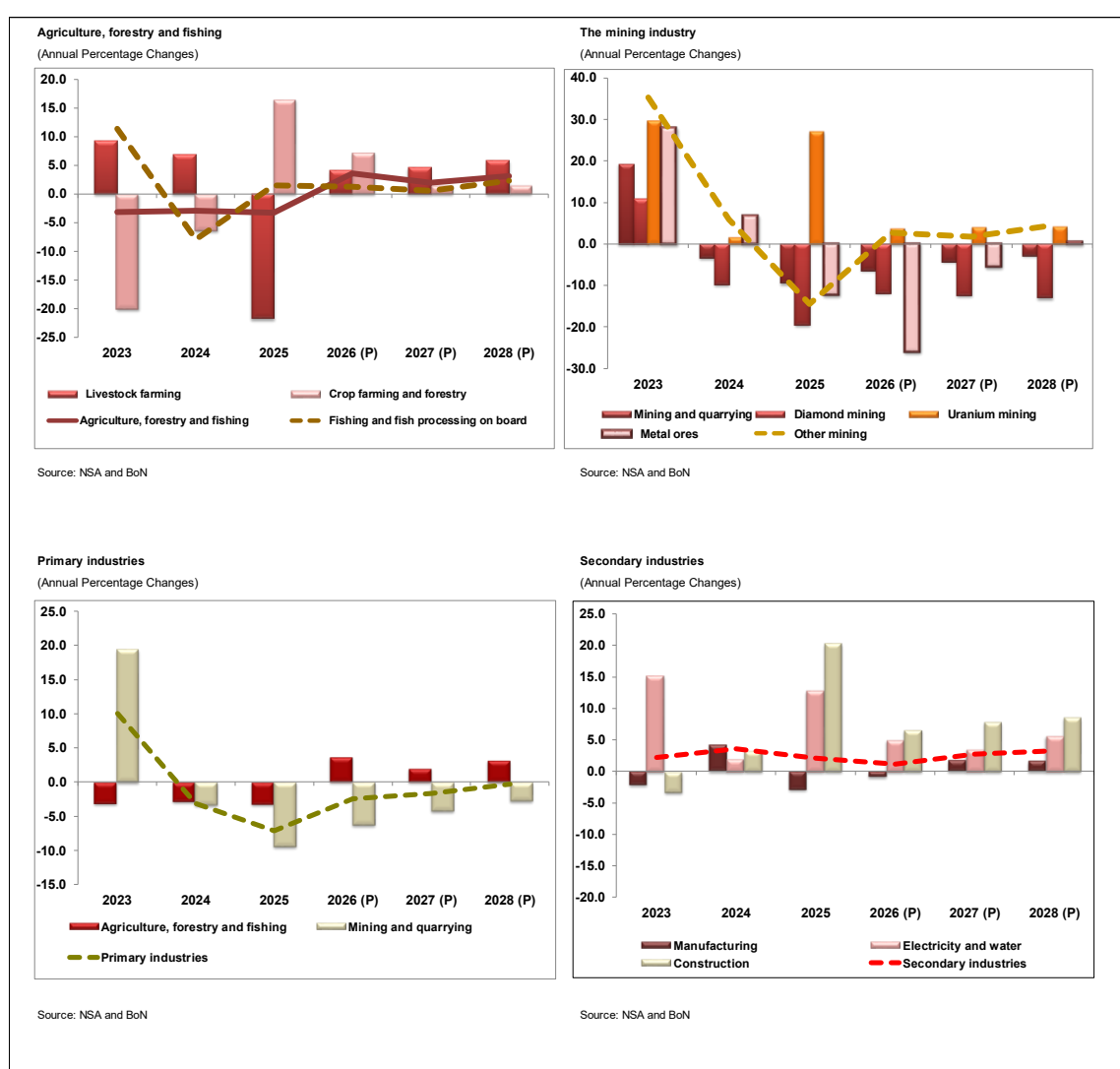
Uranium mining is projected to continue registering robust growth in 2026, before moderating in 2027. Output is projected to grow by 7.9 percent in 2026, unchanged from the March 2026 Economic Outlook update, before easing to 4.2 percent in 2027. The sustained strength reflects an extensive ongoing exploration programme at one operation and a further ramp-up in production and sales at another, against a backdrop of firm international demand for uranium as a clean energy source. Growth is expected to moderate in 2027 as production volumes normalise following the initial ramp-up phase.

The metal ores subsector is projected to deteriorate sharply in 2026, before the pace of contraction narrows in 2027. Following a contraction of 12.2 percent in 2025, output is projected to contract further by 22.7 percent in 2026, before narrowing to a contraction of 5.3 percent in 2027. These projections are unchanged from the March 2026 Economic Outlook

update and continue to reflect a marked reduction in gold output, compounded by constraints affecting zinc production amid depressed prices.

Other mining and quarrying activity, which includes oil and gas exploration, is projected to return to growth in 2026 before moderating in 2027. Following a contraction of 14.5 percent in 2025, the subsector is projected to grow by 2.7 percent in 2026 and 1.8 percent in 2027. The recovery is underpinned by intensified upstream activity, including production testing in the offshore oil and gas sector and the finalisation of a farm-in transaction by an international upstream player, both of which are expected to support further exploration spending over the forecast period.

Figure 3: Growth for primary and secondary industries¹



¹ Data for charts is sourced from the NSA for the period 2022 to 2025, while projections are done by the Bank of Namibia.

Secondary Industries

Secondary industries growth is projected to slow in 2026, before recovering markedly in 2027. Following growth of 2.1 percent in 2025, the sector is projected to grow by 1.1 percent in 2026, a downward revision of 0.7 percentage point from the March 2026 Economic Outlook update, before accelerating to 2.7 percent in 2027. The 2026 slowdown mainly reflects continued weakness in manufacturing, particularly the near-total halt in basic non-ferrous metals processing, which outweighs continued strength in electricity and water supply. The stronger performance expected in 2027 is underpinned by a return to growth in manufacturing and sustained momentum in construction, linked to ongoing mining-related developments and infrastructure investment.

Manufacturing is projected to remain in mild contraction in 2026, before recovering in 2027. Following a contraction of 2.9 percent in 2025, the sector is projected to contract by a further 0.8 percent in 2026, before returning to growth of 1.7 percent in 2027. The continued weakness in 2026 is dominated by the near-total halt in basic non-ferrous metals processing, pending confirmation of new processing capacity, alongside continued softness in diamond processing in line with reduced output from the mining sector. These pressures are expected to be partly offset by elevated meat processing activity, as farmers continue to market livestock they cannot sustain through the ongoing drought recovery, before slaughter volumes tighten. Meat processing growth is projected to moderate from 2027 onward as the herd-rebuilding phase takes hold.

Electricity and water growth is projected to moderate in 2026 but remaining a key contributor to secondary industry growth. Following growth of 12.6 percent in 2025, the subsector is projected to grow by 4.9 percent in 2026, before easing further to 3.5 percent in 2027. The slowing growth trajectory reflects the anticipated impact of El Nino. Despite this slowing growth, the sector is, however, anticipated to remain resilient, supported by hydroelectric generation at existing power stations, alongside growing contributions from solar power projects, which are expected to reduce reliance on electricity imports over the medium term.

Construction activity is projected to moderate substantially in 2026 from an exceptionally strong growth in 2025. Following growth of 20.2 percent in 2025, the sector is projected to grow by 6.5 percent in 2026, a downward revision of 3.0 percentage points from the March 2026 Economic Outlook update and improve to 7.3 percent in 2027. The reduced growth forecast for 2026 was informed by poor outcomes during the first quarter of 2026, whereby construction activity only grew by 1.8 percent. Despite the downgrade, growth is expected to remain underpinned by continued momentum in mining-related developments, including underground expansion projects and new mine construction, as well as government-funded infrastructure projects.

Tertiary Industries

Growth for tertiary industries is projected to moderate downward in 2026 and remain steady in 2027. Following growth of 4.2 percent in 2025, the sector is projected to grow by 3.6 percent and by 3.7 percent in 2026 and 2027, respectively (Figure 4). The moderation reflects a sharp deceleration in health and information and communication sectors from exceptionally strong 2025 outturns, even as continued strength in wholesale and retail trade and a firm recovery in financial services provide an offsetting boost.

Wholesale and retail trade is projected to remain a key driver of tertiary sector growth, although momentum is expected to ease gradually. The subsector is projected to grow by 6.1 percent in 2026, representing a slowdown from 7.8 percent in 2025, and improve to 8.0 percent in 2027. The sustained performance reflects continued demand for inputs sourced through wholesale and retail channels, linked to ongoing oil and gas exploration activity and mining-related construction across the economy.

Transport and storage growth is projected to recover in 2026, before moderating in 2027. Following a marked slowdown to 1.9 percent in 2025, the subsector is projected to recover to growth of 4.3 percent in 2026, before easing to 3.3 percent in 2027. The 2026 growth projection was downgraded by 0.7 percentage point from the March 2026 Economic Outlook update.

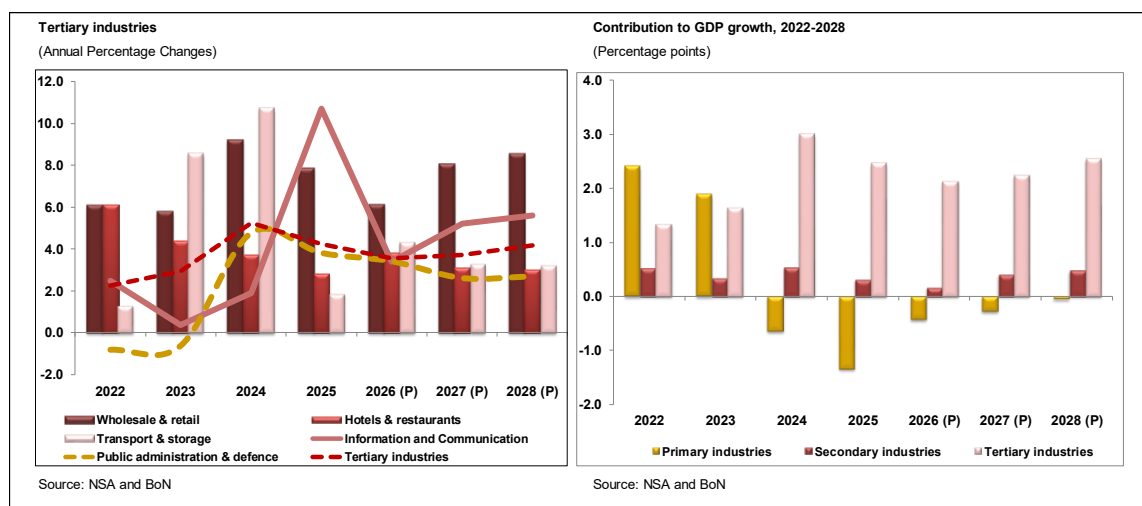
Information and communication growth is projected to normalise in 2026, before picking up again in 2027. Following exceptionally strong growth of 10.7 percent in 2025, the subsector is projected to ease to 3.4 percent in 2026, a downward revision of 2.0 percentage points from the March 2026 Economic Outlook update, before recovering to 5.2 percent in 2027.

Financial and insurance services growth is projected to recover firmly in 2026, before improving further in 2027. Following subdued growth of just 0.6 percent in 2025, the subsector is projected to expand by 3.6 percent in 2026, before expanding further by 4.6 percent in 2027. The recovery is underpinned by steady growth in banking activity, on the back of rising deposits as well as sustained growth in long-term insurance premiums.

Public administration and defence growth is projected to moderate gradually as fiscal consolidation takes hold. Following growth of 3.8 percent in 2025, the subsector is projected to grow by 3.4 percent in 2026, supported by planned recruitment, before easing to 2.6 percent in 2027. This outlook was unchanged from the March 2026 Economic Outlook update. The expected deceleration from 2027 onward is consistent with the anticipated widening of the budget deficit over the medium term, which is likely to constrain further growth in public sector employment and operational expenditure.

Growth for the health sector is projected to decelerate sharply in 2026, following two years of robust expansion. Following growth of 6.6 percent in 2025, down from 11.0 percent in 2024, the subsector is projected to grow by 1.8 percent in 2026, before easing slightly to 1.5 percent in 2027, as the pace of recruitment normalises following a period of sustained hiring.

Figure 4: Growth in tertiary industries and overall GDP



5. Conclusions

The global economic outlook points toward a near-term moderation in 2026, followed by a minor rebound in 2027. Relative to the January 2026 WEO Update, growth forecasts have been adjusted downward for 2026 and slightly upward for 2027, reflecting the counterbalancing forces of the Middle East geopolitical conflicts and easing global financial conditions. While growth in advanced economies is expected to steadily contract over the forecast horizon, emerging markets and developing economies are poised to stabilize and improve by 2027 after a temporary slowdown in 2026.

Namibia's economy is projected to expand moderately over the forecast period, following weak growth recorded in 2025. Real GDP growth is estimated at 1.7 percent in 2025 and is projected to increase to 2.1 percent and 2.8 percent in 2026 and 2027, respectively. The projected recovery is primarily supported by a rebound in agricultural output and sustained robust growth in uranium mining within the primary industries, alongside continued strength in wholesale and retail trade, electricity and water, as well as construction. Growth in the primary industries, however, is expected to remain in contraction in 2026 before turning marginally positive in 2027, reflecting persistent weakness in diamond mining and a sharp deterioration in metal ores production, which continue to weigh on overall economic performance despite the improvement elsewhere in the economy.

The domestic economic outlook remains subject to several downside risks from both external and domestic developments. Regionally, the outbreak of Foot-and-Mouth Disease in neighbouring countries, particularly Botswana and South Africa, poses a risk to livestock production and export earnings. Globally, ongoing geopolitical tensions, as well as evolving United States policies, may contribute to volatility in commodity prices, exchange rates, and the cost of key imported inputs such as fuel.

6. APPENDICES

Appendix I: Forecasting Assumptions

The Real Sector

- Growth in **agriculture, forestry and fishing** is projected to recover gradually during the forecast period, supported by improved rainfall conditions and favourable crop production prospects. Livestock production is expected to recover more gradually, reflecting biologically driven herd rebuilding following prior drought-induced destocking.
- The **diamond mining** subsector is projected to remain under pressure throughout the forecast period, reflecting persistent weakness in global demand for natural diamonds and lower production levels.
- **Uranium production** is expected to remain elevated, supported by sustained global demand and favourable uranium prices, although growth is projected to moderate following strong expansion in 2025 as production levels normalise.
- Output in the **metal ores** subsector is projected to remain subdued, reflecting operational adjustments and a shift in production focus within the subsector, which is expected to weigh on overall mining and manufacturing activity in the near term.
- **Overall GDP growth** is projected to remain moderate during the forecast period, supported primarily by expansion in the secondary and tertiary industries, while growth in the primary industries is expected to remain subdued due to continued weakness in diamond mining and metal ores production.

Appendix II: World Economic Output (annual percentage change)

	Actual	Projections		Differences from April 2026 WEO	
Regions	2025	2026	2027	2026	2027
World Output	3.5	3.0	3.4	-0.1	0.2
Advanced Economies	1.9	1.7	1.8	-0.1	0.1
United States	2.1	2.3	2.2	0.0	0.1
Euro Area	1.4	0.9	1.2	-0.2	0.0
Germany	0.2	0.7	1.0	-0.1	-0.2
France	0.9	0.6	0.9	-0.3	0.0
Italy	0.5	0.5	0.5	0.0	0.0
Spain	2.8	2.1	1.8	0.0	0.0
Japan	1.1	0.6	0.7	-0.1	0.1
United Kingdom	1.4	1.0	1.3	0.2	0.0
Canada	1.9	1.1	1.7	-0.4	-0.2
Other Advanced Economies	3.0	2.8	2.3	0.2	0.1
Emerging Market and Developing Economies	4.5	3.8	4.5	-0.1	0.3
China	5.0	4.6	4.1	0.2	0.1
India	7.7	6.4	6.7	-0.1	0.2
Russia	1.0	1.1	1.1	0.0	0.0
Brazil	2.3	2.4	2.2	0.5	0.2
Mexico	0.5	1.2	1.9	-0.4	-0.3
Sub-Saharan Africa	4.5	4.3	4.5	0.0	0.1
Nigeria	4.0	4.1	4.3	0.0	0.0
South Africa	1.1	1.1	1.3	0.1	0.0
Angola	3.1	2.3	2.6	0.0	0.0

Source: IMF World Economic Outlook update, July 2026

Appendix III: Real GDP Growth (percent)

Industry	2023	2024	2025	2026	2027	2028
Agriculture, forestry and fishing	-3.2	-2.9	-3.3	3.6	1.9	3.1
Livestock farming	9.1	6.8	-21.7	4.1	4.6	5.7
Crop farming and forestry	-31.7	-6.3	16.5	7.2	1.5	1.6
Fishing and fish processing on board	11.4	-7.9	1.5	1.2	0.5	2.3
Mining and quarrying	19.3	-3.4	-9.4	-6.2	-4.2	-2.8
Diamond mining	10.9	-9.7	-19.4	-11.7	-12.3	-12.9
Uranium	29.6	1.8	27.0	3.9	4.2	4.3
Metal Ores	27.8	6.7	-12.2	-25.7	-5.4	0.5
Other mining and quarrying	35.4	5.9	-14.5	2.7	1.8	4.5
Primary industries	10.0	-3.2	-7.2	-2.5	-1.7	-0.3
Manufacturing	-2.2	4.0	-2.9	-0.8	1.7	1.6
Meat processing	17.4	11.8	-9.9	5.6	5.2	3.6
Grain Mill products	4.3	6.0	2.1	3.4	2.8	1.6
Other food products	9.1	3.9	6.9	-0.4	1.5	1.7
Beverages	-26.1	14.4	-4.2	1.3	2.8	3.0
Textile and wearing apparel	3.3	4.9	0.8	1.1	2.2	2.4
Leather and related products	-10.9	4.8	2.2	3.6	3.8	4.9
Wood and wood products	2.8	0.3	12.8	3.5	4.1	4.4
Publishing and Printing	-3.6	-0.3	-9.4	-2.8	-1.6	-2.0
Chemical and related products	0.4	3.3	1.6	2.1	4.4	4.4
Rubber and Plastics products	8.6	9.8	6.3	3.8	2.2	3.2
Non-metallic minerals products	-6.2	2.5	-2.8	2.7	2.5	2.9
Basic non-ferrous metals	-4.8	40.2	-65.6	-98.8	0.0	0.0
Fabricated Metals	4.8	5.9	1.4	2.1	1.8	1.1
Diamond processing	-12.4	-26.5	-18.9	-14.5	-15.3	-16.7
Other manufacturing	8.3	8.5	-2.8	3.2	4.3	3.8
Electricity and water	26.0	2.0	12.6	4.9	3.5	5.6
Construction	-3.3	3.3	20.2	6.5	7.8	8.6
Secondary industries	2.2	3.6	2.1	1.1	2.7	3.2
Wholesale and retail trade, repairs	5.8	9.1	7.8	6.1	8.0	8.5
Hotels and restaurants	4.4	3.7	2.8	3.8	3.1	3.0
Transport and Storage	8.5	10.7	1.9	4.3	3.3	3.2
Transport	8.2	8.2	0.7	4.8	3.2	3.0
Storage	9.4	17.5	4.7	3.2	3.5	3.7
Information and Communication	0.4	1.9	10.7	3.4	5.2	5.6
Financial and insurance service activities	3.7	5.8	0.6	3.6	4.6	4.0
Real estate activities	1.1	1.0	1.3	1.6	1.8	2.3
Professional, scientific and technical services	5.7	8.2	2.7	2.2	2.0	2.2
Administrative and support services	7.7	4.0	3.0	3.7	3.7	3.6
Arts, Entertainment & Other Service activities	1.0	1.3	1.2	1.9	1.5	1.8
Public administration and defence	-0.6	4.8	3.8	3.4	2.6	2.7
Education	4.3	1.9	4.7	3.2	2.1	3.1
Health	0.5	11.0	6.6	1.8	1.5	3.7
Private household with employed persons	8.0	2.5	3.0	2.2	3.1	3.2
Tertiary industries	2.9	5.2	4.2	3.6	3.7	4.2
All industries at basic prices	4.3	3.1	1.6	2.1	2.6	3.3
Taxes less subsidies on products	5.6	10.7	3.3	3.1	4.5	4.8
GDP at market prices	4.4	3.8	1.7	2.1	2.8	3.4

Source: NSA (2022-2025), BoN (2026-2028)

Appendix IV: Adjustments to real growth rates

	Actual	Current Projections				Differences from March 2026		
	2025	2026	2027	2028	2026	2027	2028	
Agriculture, forestry and fishing	-3.3	3.6	1.9	3.1	0.8	-0.9	-0.6	
Livestock farming	-21.7	4.1	4.6	5.7	1.9	0.0	0.8	
Crop farming and forestry	16.5	7.2	1.5	1.6	-6.6	-3.0	-3.0	
Fishing and fish processing on board	1.5	1.2	0.5	2.3	4.4	0.0	0.0	
Mining and quarrying	-9.4	-6.2	-4.2	-2.8	-4.1	-3.0	-0.8	
Diamond mining	-19.4	-11.7	-12.3	-12.9	-6.0	-7.0	-7.0	
Uranium	27.0	3.9	4.2	4.3	-4.0	0.0	3.0	
Metal Ores	-12.2	-25.7	-5.4	0.5	-3.0	0.0	-0.1	
Other mining and quarrying	-14.5	2.7	1.8	4.5	0.0	0.0	4.0	
Primary industries	-7.2	-2.5	-1.7	-0.3	-2.2	-2.1	-0.6	
Manufacturing	-2.9	-0.8	1.7	1.6	-0.9	-0.4	-0.5	
Meat processing	-9.9	5.6	5.2	3.6	0.0	0.0	0.0	
Grain Mill products	2.1	3.4	2.8	1.6	0.0	0.0	0.0	
Other food products	6.9	-0.4	1.5	1.7	0.0	0.0	0.0	
Beverages	-4.2	1.3	2.8	3.0	-1.0	0.0	0.0	
Textile and wearing apparel	0.8	1.1	2.2	2.4	-1.0	0.0	0.0	
Leather and related products	2.2	3.6	3.8	4.9	0.0	0.0	0.0	
Wood and wood products	12.8	3.5	4.1	4.4	0.0	0.0	0.0	
Publishing and Printing	-9.4	-2.8	-1.6	-2.0	0.0	0.0	0.0	
Chemical and related products	1.6	2.1	4.4	4.4	-2.0	0.0	0.0	
Rubber and Plastics products	6.3	3.8	2.2	3.2	0.0	0.0	0.0	
Non-metallic minerals products	-2.8	2.7	2.5	2.9	0.0	0.0	0.0	
Basic non-ferrous metals	-65.6	-98.8	0.0	0.0	0.0	0.0	0.0	
Fabricated Metals	1.4	2.1	1.8	1.1	0.0	0.0	0.0	
Diamond processing	-18.9	-14.5	-15.3	-16.7	-8.9	-8.8	-12.2	
Other manufacturing	-2.8	3.2	4.3	3.8	-1.0	0.0	-0.6	
Electricity and water	12.6	4.9	3.5	5.6	-1.2	-0.5	0.0	
Construction	20.2	6.5	7.8	8.6	-3.0	2.7	1.9	
Secondary industries	2.1	1.1	2.7	3.2	-0.7	-0.6	0.0	
Wholesale and retail trade, repairs	7.8	6.1	8.0	8.5	-0.7	2.2	2.5	
Hotels and restaurants	2.8	3.8	3.1	3.0	0.0	0.0	0.0	
Transport and Storage	1.9	4.3	3.3	3.2	-0.7	0.0	0.0	
Transport	0.7	4.8	3.2	3.0	-1.0	0.0	0.0	
Storage	4.7	3.2	3.5	3.7	0.0	0.0	0.0	
Information and Communication	10.7	3.4	5.2	5.6	-2.0	0.0	0.0	
Financial and insurance service activities	0.6	3.6	4.6	4.0	-1.7	0.0	0.0	
Real estate activities	1.3	1.6	1.8	2.3	0.0	0.0	0.0	
Professional, scientific and technical services	2.7	2.2	2.0	2.2	0.0	0.0	0.0	
Administrative and support services	3.0	3.7	3.7	3.6	0.0	0.0	0.0	
Arts, Entertainment & Other Service activities	1.2	1.9	1.5	1.8	0.0	0.0	0.0	
Public administration and defence	3.8	3.4	2.6	2.7	0.0	0.4	0.4	
Education	4.7	3.2	2.1	3.1	-0.8	0.0	1.0	
Health	6.6	1.8	1.5	3.7	0.0	0.0	2.0	
Private household with employed persons	3.0	2.2	3.1	3.2	0.0	0.0	0.0	
Tertiary industries	4.2	3.6	3.7	4.2	0.3	0.4	-0.3	
All industries at basic prices	1.6	2.1	2.6	3.3	-0.4	-0.2	-0.3	
Taxes less subsidies on products	3.3	3.1	4.5	4.8	-3.7	0.0	0.6	
GDP at market prices	1.7	2.1	2.8	3.4	-0.4	-0.1	0.2	

Source: NSA (2025), BoN (2026-2028)

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

Industry	2023	2024	2025	2026	2027	2028
Agriculture, forestry and fishing	17,573	17,888	18,854	20,506	21,740	23,526
Livestock farming	6,244	6,245	6,068	6,601	7,181	7,897
Crop farming and forestry	4,854	5,127	6,169	6,900	7,355	7,892
Fishing and fish processing on board	6,475	6,515	6,618	7,005	7,204	7,738
Mining and quarrying	35,284	36,630	37,738	33,079	34,831	37,770
Diamond mining	13,449	8,113	6,547	5,952	5,493	5,073
Uranium	5,902	9,733	7,319	7,646	6,045	5,564
Metal Ores	12,806	15,519	20,867	16,240	19,815	23,268
Other mining and quarrying	3,128	3,264	3,005	3,241	3,477	3,866
Primary industries	52,857	54,518	56,592	53,584	56,571	61,297
Manufacturing	25,409	25,726	27,021	27,419	28,957	30,671
Meat processing	1,247	1,335	1,451	1,688	1,924	2,073
Grain Mill products	4,381	5,009	5,320	5,798	6,259	6,677
Other food products	6,928	7,316	8,060	8,429	8,983	9,593
Beverages	3,314	2,355	2,144	2,281	2,346	2,478
Textile and wearing apparel	672	691	721	734	758	800
Leather and related products	340	348	358	368	382	409
Wood and wood products	870	901	994	1,034	1,068	1,162
Publishing and Printing	462	468	416	400	387	393
Chemical and related products	1,268	1,331	1,350	1,440	1,571	1,714
Rubber and Plastics products	563	644	681	735	782	839
Non-metallic minerals products	671	753	758	830	893	973
Basic non-ferrous metals	135	460	1,002	13	13	13
Fabricated Metals	797	908	913	963	993	1,027
Diamond processing	2,806	2,118	1,753	1,519	1,308	1,126
Other manufacturing	955	1,089	1,100	1,186	1,290	1,396
Electricity and water	7,087	8,286	9,227	10,165	11,044	12,361
Construction	2,951	3,196	4,111	4,639	5,324	6,140
Secondary industries	35,447	37,209	40,359	42,223	45,325	49,172
Wholesale and retail trade, repairs	24,985	27,884	31,572	35,248	39,338	44,372
Hotels and restaurants	3,477	3,966	4,374	4,967	5,577	6,235
Transport and Storage	7,062	8,309	8,545	9,153	9,625	10,169
Transport	4,897	5,522	5,582	5,928	6,170	6,424
Storage	2,166	2,787	2,963	3,226	3,456	3,745
Information and Communication	2,802	2,708	2,914	2,892	2,939	2,970
Financial and insurance service activities	15,680	18,820	22,800	27,623	34,299	42,030
Real estate activities	10,991	11,520	12,704	13,277	13,999	14,901
Professional, scientific and technical services	1,109	1,167	1,133	1,112	1,096	1,082
Administrative and support services	2,278	2,435	2,612	2,839	3,090	3,367
Arts, Entertainment & Other Service activities	3,320	3,589	3,836	4,140	4,462	4,834
Public administration and defence	19,896	21,487	22,157	23,500	25,181	27,048
Education	22,165	22,846	24,232	25,554	26,793	28,621
Health	7,070	8,782	9,690	10,139	10,604	11,512
Private household with employed persons	1,545	1,651	1,760	1,882	2,035	2,198
Tertiary industries	122,383	135,164	148,327	162,327	179,038	199,338
All industries at basic prices	210,687	226,891	245,279	258,135	280,934	309,807
Taxes less subsidies on products	20,298	23,134	24,489	26,781	29,740	33,119
GDP at market prices	230,985	250,025	269,768	284,916	310,673	342,926

Source: NSA (2022-2025), BoN (2026-2028)