

SECTORAL ANALYSIS OF CORONA VIRUS ATTACK IN NIGERIA: AN EMPIRICAL DIAGNOSIS AND SOME POLICY IMPLICATIONS

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ABSTRACT: Recently the depth and extreme consequences of coronavirus in Nigeria have been alarming. In the last few months, the government has undertaken various steps by introducing certain policies that would help in reducing, if not eradicating the socio-economic implications of this novel virus outbreak in Nigeria. The study examines the implications of COVID 19 on the economic status of Nigeria using a daily time series data analysis for eighty-one days during the first heavy lockdown (27th February 2020 to 17th May 2020). The data used for the study were extracted from secondary sources: the NCDC reports, CBN reports, Nigeria Stock Exchange reports, Accuweather reports, and Bloomberg within the period of the study. The data was analyzed using the ordinary least square regression incorporating the correlation test. The study found that daily COVID 19 confirmed cases and daily FOREX rates have a negative and significant impact on daily oil price, a mirror of daily output growth whereas daily share index has a positive impact. Only the daily temperature report was insignificant but positive in the model. The study recommended that Nigerians should strongly adhere to the preventive guidelines as stipulated by the Nigeria Centre for Disease Control (NCDC) in line with World Health Organisation (WHO) recommendations.

KEY WORDS: Coronavirus, Nigeria, daily crude oil price, daily forex rate

1. INTRODUCTION

The coronavirus (COVID-19), which was first observed in 2019 in Wuhan, China. Numerous economies around the world have seen diminished economic activities in the principal quarter of the year. Industrial facilities have been closed down in most affected nations, and the world's aggregate supply has been upset. The Brent crude cost has been fluctuating because of the heightening worldwide financial effect of the coronavirus. Nigeria, the most populated nation in Africa, is awakening to another monetary and social reality because of the coronavirus emergency. The nation of more than 200 million individuals, recorded its first case on 28th February 2020. As of 14th June 2020, she has recorded 15,682 affirmed cases, 407 related deaths, and 5,101 released cases (NCDC report, 14th June 2020). While the virus contaminates people paying little heed to their status and economic wellbeing, those living underneath the poverty line are the most affected. In 2019, Nigeria outperformed India regarding the number of people living in abject poverty. According to reports from Aljazeera on the 4th of May 2020, forty (40) percent of Nigeria residents live underneath the destitution line of 1.25 dollars per day, that is, more than eighty-two (82) million individuals (NBS report 2020). As indicated by the National Bureau of Statistics, four out of ten Nigerians have real per capital expenditure of 352 dollars each year. Her populace grows geometrically around two (2) percent while her Real GDP a measure of economic development grows in the arithmetic progression of about one (1) percent. With the economic downturn closer because of this global pandemic, that number will multiply if satisfactory economic policies are not upheld.

Living in low standard houses, with diminished access to sanitation, and an absence of investment to encourage physical

distancing, the poor are the most vulnerable in getting the virus. Also, because of the significant expense of medical services, higher death rates, more noteworthy financial delicacy, there is an immense chance that a lot more Nigerians will fall further underneath the 1.25 dollar per day poverty line before the pandemic is finished. Figure one presents the various states in Nigeria mostly hit by Coronavirus outbreak. It is crystal clear that Lagos state, the former capital city of Nigeria has the highest record followed by the current city capital, Abuja, and then Kano state. Other significant affected states are Kastina, Ogun, Oyo, Kaduna, Gombe, Rivers, Delta, Edo, Jigawa, Bauchi, Borno, and then Imo (NCDC report, 2020).

Their statistical counts are illustrated in figure two.

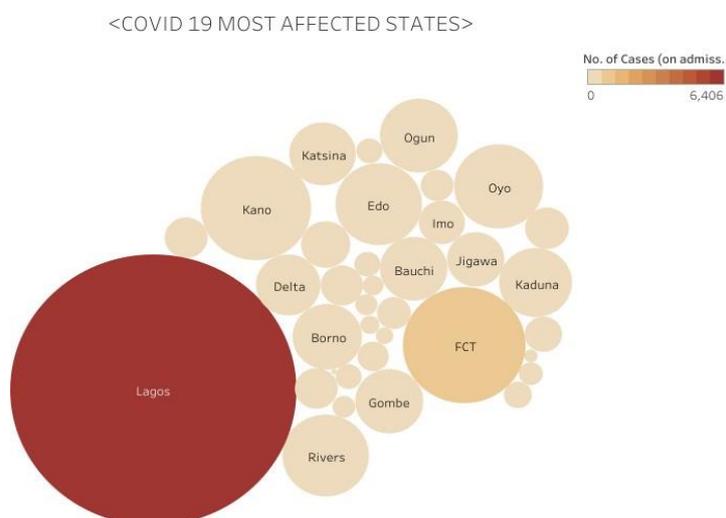


Figure 1. COVID-19 Most Affected States in Nigeria

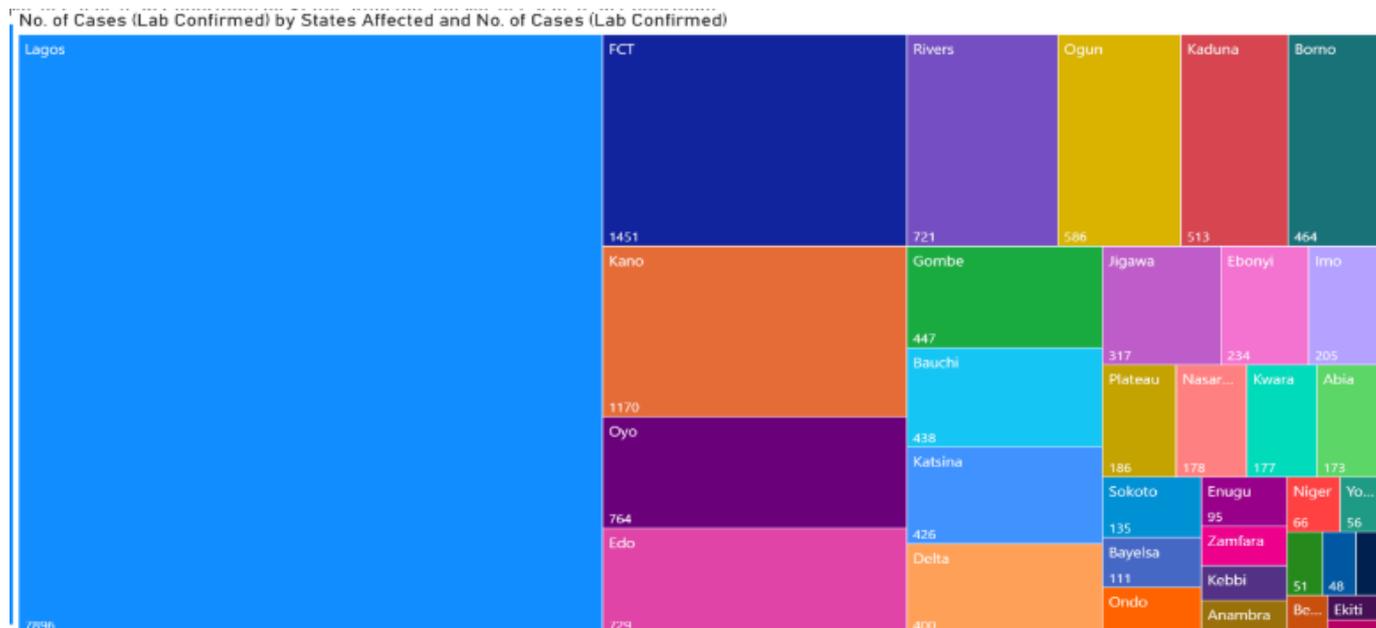


Figure 2. COVID-19 Affected States in Nigeria and number of cases
Source: NCDC Website

DAILY EXCHANGE RATE

From the right-top of figure 3 below, is the daily Naira/dollar exchange rate trend from 27th February 2020 to 17th May 2020. Naira/Dollar exchange rate has been highly volatile, fluctuating on average between 350 and 390 per dollar. This is as a result of the global pandemic posed by COVID 19. This trend portrays lots of uncertainty and loss in FOREX trading. From 27th February 2020 to 16th March 2020, the exchange rate was relatively stable as a result of a low case of COVID 19. But from late March up till 17th May 2020, it witnessed a huge fluctuation.

DAILY TREND OF OIL PRICE

The graph above illustrates the daily trend of crude oil price per barrel from 27th February 2020 when the first coronavirus cases were recorded in Nigeria to 17th May 2020. From the graph, the price of crude oil has been volatile and decreasing. It was at 50 dollars per barrel initially but as the coronavirus case increased both domestically and globally, it witnessed a huge decline hitting its trough of 19.33 dollars on 21st April 2020.

DAILY TREND OF COVID 19 IN NIGERIA

The first incident of the coronavirus in Nigeria was on 27th February 2020. Ever since then, the coronavirus case has been on increase. Initially, the rate was its increase was relatively low

but saw an explosive increase on 14th April 2020. Despite all restrictions imposed by the Nigerian government, its rapid growth rate is yet to be curtailed.

DAILY TREND OF SHARE INDEX

The fourth graph at the bottom-left portrays the trend of the share index from 27th February 2020 to 17th May 2020. The share index is one of the key indices that help investors calculate the stock market performance. Given the outbreak of COVID 19 in Nigeria, the share index has experienced a huge decline. It hits its lowest value on 6th April 2020, ever since then, it has been increasing at a decreasing rate.

Nigeria being an oil-export dependent nation has witnessed lots of oil price shock as these global COVID 19 pandemics have hugely impacted negatively on her oil revenue. This can be seen in the figure 4 above, during the first twenty-five days of COVID 19 case in Nigeria, the growth rate of COVID 19 was relatively low except on two occasions where it records a growth rate above 80 percent. During that first twenty- five days, the oil price growth rate experienced a relatively low negative figure. After the first twenty-five days, the growth rate of COVID 19 was on average 11.16 percent whereas the oil-price growth rate on average was 0.55 percent. This implies that there is a negative correlation between the oil price growth rate and COVID 19 growth rate in Nigeria.

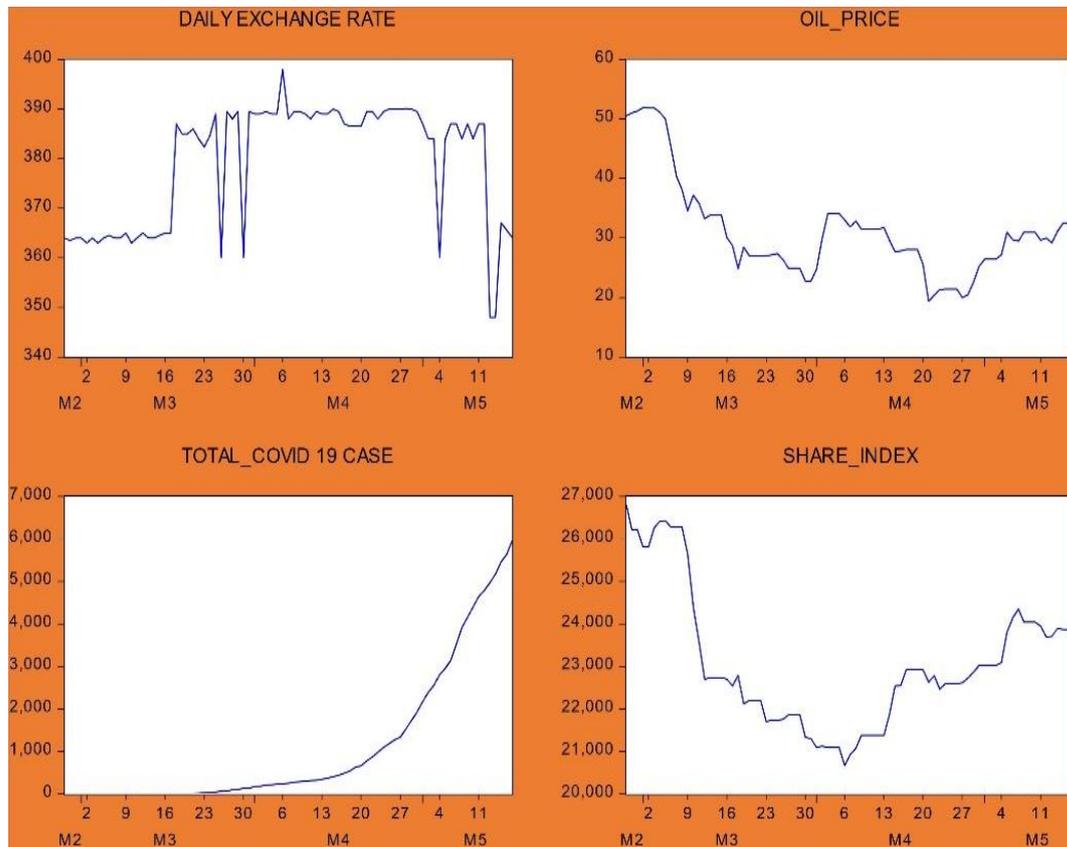


Figure 3. Daily Exchange Rate, Oil Price, Covid 19 in Nigeria and Share Index
 Source: CBN (2020) and National Centre for Disease Control (NCDC) Website

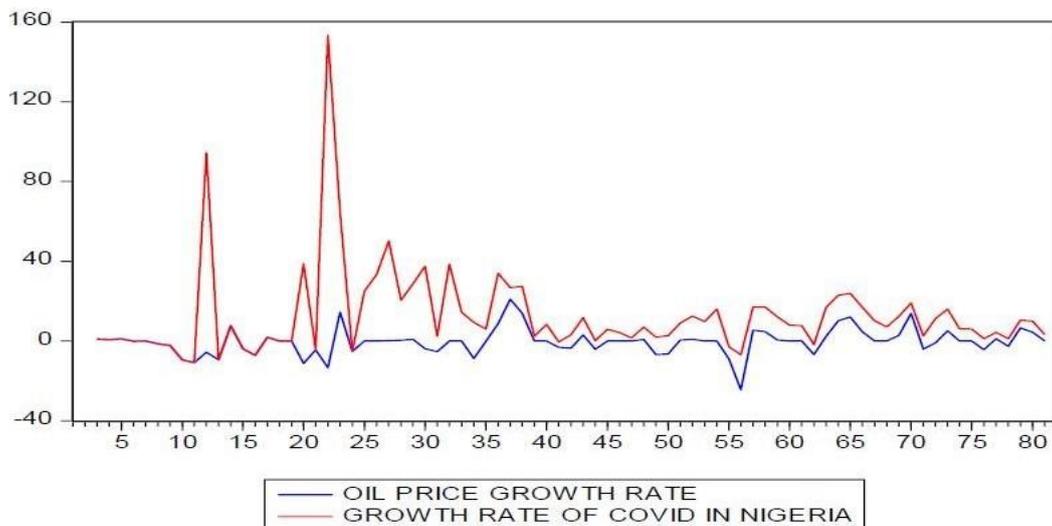


Figure 4. Oil Price Growth Rate and COVID in Nigeria
 Source: CBN (2020) and National Centre for Disease Control (NCDC) Website

This study investigates the implications of the Coronavirus in Nigeria and possible policy recommendations, covering a daily period of 27th February 2020 to 17th May 2020. The study is based on the COVID 19 economic performance of Nigeria from 27th February 2020 to 17th May 2020. The socio-economic variables used in this study include; Daily COVID 19 Case reports, Daily Exchange Rate, Daily Share Index, Daily Crude Oil Brent Price, and Daily Weather report. The remaining part of the paper is structured as follows: Section 2 captures review of literature, Section 3 details the methodological approach, Section 4 presents the empirical results and discussion, while section 5 concludes the paper with some policy implications.

2. LITERATURE REVIEW

2.1. Sectors Affected By Corona Virus Pandemic In Nigeria

The global COVID-19 virus has done more harm than good to all the affected economies and the Nigerian economy is not left behind. The following sectors are the most affected:

Entertainment Sector

The entertainment sector consists of the movie industry, sports industry, music, and other outlets that entertains. This sector, by

and large, has encountered considerable negative effects; ranging from closures of sporting activities, close-down of cinemas, workmanship presentations, film production, and musical shows, and others have either been dropped or delayed. Huge sum multi-billion- ventures have been lost in the sector as a result of this pandemic.

Oil Sector

This sector has been severely hit by the coronavirus pandemic in Nigeria and globally. During this period, lockdown, trade restrictions, and travel limitations have prompted an enormous drop in the demand for oil and a crash in its price internationally. Indeed, even the intercession of OPEC member nations and top oil producers through the slash in production has still not influenced the price of crude oil or improve its market demand, rather oil prices per barrel have fluctuated between twenty-four dollar and twenty dollars. Nigerian National Petroleum Corporation has proposed oil production cost targeting selling at ten dollars.

Aviation and Tourism Sector

This sector is one of the hardest-hit sectors in Nigeria, as the lockdown due to the global pandemic has put limitations on travel and tourism. Although, arguably, the tourism sector in Nigeria contributes little or nothing to her Gross Domestic Product, yet the little impact it possesses has been put to an abrupt halt because of the pandemic. The vast majority of the foreign and remote aviation companies have suspended flight, with all the air terminals under massive shutdown as requested by the government.

International Trade

The global trade system will be adversely affected, attributable to the industrial shutdown decreased access to both finish and unfinished products as a result of challenges in the supply chain and aggregate demand. Lots of trading activities have gone down and still yet to go. The drastic fall in the price of crude oil was a product of low demand for crude oil, there currently exist some degree of limitations in the markets for export due to the fall in global demand. Also, border closure to nonessential products and services had led to a rise in price level and cost of living, leading household consumption to essentially fall. Fernandes, (2020) noted that the World Trade Organization (WTO) predicts trade globally to fall up to 32 percent in 2020 due to the coronavirus pandemic.

Manufacturing Sector

The virus is already affecting the manufacturing sector production and activities given the lockdown on production and low purchases from consumers, the sector has no other means to increase and improve their production. Income earners in this sector are not left behind as most of them are either underpaid or laid-off. Most companies in this sector that cannot cope with this dramatic downturn are left with no other option than to shut down permanently.

Hospitality Sector

It's an obvious fact that this sector is one of the critical sectors that have been badly hit by this global pandemic, with huge numbers of its workers either jobless or losing working hours because of physical distancing, limitations on movement and closure of organizations. The hospitality sector has been encountering exceptionally low demand in their services. Fernandes, (2020) highlighted that the economic issues of COVID 19 are particularly bad in

hospitality-related sectors, which ranges from airlines to cruise companies, casinos, and even hotels. Firms in this sector are facing reductions of activity of more than 90

SME Sectors

The small and medium enterprises are also badly hit by the pandemic. Both the social and technological entrepreneurs are compelled to make radical strides to stay in business. The preventive actions taken by the Nigerian government have left these small and medium enterprises to be vulnerably too. Lots of business ideas do spring up during this period but the restrictive movements and contact coupled with low income to back them up terminate such ideas in its incubation stages.

Construction Sector

With the drop in salary and threatening rise in unemployment, there is almost no enthusiasm for getting real estate portfolios for property purchasers. Likewise, the physical distancing and limitations on movement within and across states have unfavorably influenced the activities and performance done in this sector. However, only one out of tons of businesses has been positively affected by the coronavirus pandemic. Organizations in specific sectors are flourishing amid this virus prompted economic crisis. Such sectors are as follows:

Electronic Learning Sector

For some people, this global lockdown is an open door for personal development. What's more, they have held onto it to build up their insight and extend their range of abilities by taking on courses ranging from programming languages, cooking, cosmetics, styling, professional development, and business enterprise, among others. Although before the outbreak of this virus, Nigeria's electronic learning sector had been weak and underdeveloped. Ozili (2020) noted that there was hardly any tertiary or college institution that offers full learning packages online, but the outbreak of COVID 19 had made the educational system look towards incorporating and developing their electronic learning system. E-learning sites such as EDx, Udemy, Coursera, and lots of others have provided free certification courses for their registered customers in a move to engage them academically. Parents and guardians have likewise registered their wards in most of these electronic learning centers while trusting in the resumption of schools.

Healthcare Sector

The healthcare sector in Nigeria unlike before has witnessed a blast in its industrial activities given the shoot out of the coronavirus. It is not at this point new that this boom in the sector is a result of traveling limitations that restricts corrupt politicians from traveling out seeking medical aids. Every nation in the world has brought out various methods in taking care of its very own and Nigeria is not excluded. Many clinical items, services, and administrations are now in high demand, for example, the disinfectants, protective nose masks, sanitizers, nutrients enhancements and vitamins, clinical supplies, with numerous organizations in the healthcare sector battling to satisfy the teeming needs. Healthcare has become an essential commodity both globally and locally, workers in this sector are thus seen as crucial and their salaries are paid without delay.

ICT/ Social Media Sector

Social media and information and communication technology utilization has risen pointedly in Nigeria since the beginning of the COVID 19 emergencies. Social platforms such as zoom, team-viewer, Edmodo, Google classroom and meet, Telegram, Twitter, Instagram, Cisco Webex, Facebook, WhatsApp, etc. are in constant use as movement restriction and physical distancing has been promoted. Lots of business organizations, households, and even government agencies now find solace in this sector as most of their activities are performed better and faster.

2.2. Implications of Corona Virus in Nigeria

The Decline in Household Consumption

The fall in household consumption in Nigeria originates from the fractional or full limitations on movement within and inter-state, therefore making family spend basically on fundamental merchandise; Also, the disintegration of wealth because of the decrease in assets, for example, stocks and equity which resulted from the enforced lockdown in the whole nation by the government. Nigeria has a prospering gig economy as well as a huge informal segment, which contributes 65 percent of its Nigeria's employment system (WHO reports, 2018). Movement limitations have not just decreased the utilization of insignificant products all in all, yet have influenced the income-generating capacity of many individuals, in this way lessening their consumption. Thirdly, the expectancy rate of future wages has lowered, especially from the employees in the economy that are engaged on a contract basis, just as those operating in the informal economy, there is a ripple effect from low consumption to low production and further, lower consumption.

Decline in Trade

The limitations on the movement of individuals and terminations of international trading foretell a fall in net export. As of now, nations around the globe have shut their fringes to trivial products and services, and the international aggregate supply on export has been disturbed. Even though the exchange rate devalued nations like Nigeria that devalued their currency because of the fall in the price of products, will turn out to be increasingly moderate, the constrained in markets for superfluous commodities and services invalidates the imagined constructive outcome on net export.

Rapid Drop in Portfolio and Non-portfolio Investment

Investment by firms will be obstructed to a great extent because of the vulnerabilities that accompany the pandemic-constrained information about the length of the pandemic, the viability of strategic measures, and the response of economic agents to these measures just as negative sentiments, which are causing choppiness in capital markets far and wide the globe. Fernandes, (2020) pointed out that most stock indices globally have noted their biggest falls on trade record. Taking the Dow Jones Index, for instance, they registered their worst ever fall on March 16, 2020, with 2,977 points. And several other big firms have seen their price of shares fall by more than 80 percent during this pandemic. Without a doubt, this virus outbreak has prompted a gigantic decrease in stock prices, as the Nigerian Stock Exchange, records its most noticeably awful exhibition since the 2008 global economic downturn, which

has dissolved the investors' wealth. Contemplating the vulnerability that is related to the Coronavirus pandemic and the negative benefit attitude toward conceivable speculation investment, firms are probably going to hold off long hauled investment choices.

Fall in Public Expenditure

Then again, public sector spending will rise, the public sector which normally can bear to run shortfalls in its budgetary system, use fiscal stabilization measures to balance the fall in household spending, as seen from the palliative measures been taken. In any case, for governments that are consumer dependent, this pandemic will further expose its poor developmental planning. The fall in the worlds' interest for products coming from the pandemic will essentially expand Nigeria's fiscal shortages. For Nigeria's situation, the cost of Brent crude oil was simply over 26 dollars a barrel on 2nd April 2020, while Nigeria's stipulated budgetary system was at 57 dollars per barrel. So also, with oil representing 90 percent of Nigeria's export revenue, the decrease in crude oil demand and oil costs will unfavorably influence the volume and estimation of net export. Without a doubt, the lofty decrease in oil costs related to the pandemic has required that the Nigerian government cut their spending. Truth be told, on March 18, the Minister of finance reported a 1.5 trillion-naira slash in the 2020 fiscal budget, 20 percent from the capital spending, and 25 percent from recurrent.

2.3. Empirical Studies

This section examines the empirical studies on the implications of COVID 19 not only in Nigeria but globally as well. The study on the global macroeconomic impacts of Covid-19 by McKibbin and Fernando (2020) observed descriptively that the various impact of different events on financial markets and macroeconomic outcomes in the global economy employing the hybrid DSGE/CGE general equilibrium model. The outcomes in the paper illustrate that even a contained novel outbreak could in the short-run impact significantly on the global economy. The study recommends public sectors in various economies to invest massively on its' public health systems in particular to the third world economies where population density is high and healthcare facilities less developed.

From the study done by Del Rio-Chanona, Mealy, Pichler, Lafond, and Farmer (2020) on supply and demand shocks in the Covid-19 pandemic: An industry and occupation perspective on the US economy. They observed the Covid-19 pandemic at the level of individual occupations and industries and classifying them to analyze the supply and demand shock using the Remote Labor Index. Their findings were that these shocks would threaten around 22 percent of the US economy's GDP, jeopardize 24 percent of available employment, and reduce total income by 17 percent.

According to Ozili (2020) on the Covid-19 pandemic and economic crisis in Nigeria. Adopting a descriptive literature approach highlighted the connection between the economic downturn in Nigeria as triggered by a combination of declining oil prices and the outbreak of Coronavirus. The study finding was that the Federal government's response to the crisis by providing financial aid to a few businesses and not to households most hit by the pandemic contributed to the economic downturn. The study recommended that Nigerians despite the hazard caused by the COVID 19 pandemic should create a new life routine by staying healthy

and learning new skills. The government on their part should hasten in rebuilding the country's infrastructures.

Although there exist a few numbers of empirical studies on the impact of the Coronavirus in Nigeria's Economy. The previous studies on this also adopted a different approach to assessing the impact of the corona. This paper adopts an econometric approach of the Ordinary Least Square model and correlation test to ascertain the implications of the Coronavirus in Nigeria.

3. METHODOLOGY

The Ordinary least squares (OLS) methodology will be used in this analysis. Under the assumption that there is no autocorrelation, no heteroskedasticity, and that the model is linear, that is, no specification bias.

The model is specified as:

$$OilPricet = \beta_0 + \beta_1TOTt + \beta_2SHAREt + \beta_3WEAt + \beta_4EXRt + \mu$$

Where:

- Oil Price = Crude Oil Brent Price (a proxy for Economic growth);
- TOT = Total confirmed COVID 19 case;
- Share = Share Index;
- WEA = Temperature;
- EXR = FOREX Rate;
- Beta's = model parameters;
- μ = stochastic term.

Crude Oil Brent Price is used to mirror economic growth in this work basically because other economic variables in use are expressed in daily time series dataset, and each dataset value presents a unique day, converting using the average will introduce bias and precision will be lost. Also, COVID 19 total case variable is used to capture the incidence of the Coronavirus outbreak. The share index tries to capture the financial market and its behavior during this period of the COVID 19 pandemic. The variable Weather tries to capture the underlying effect of temperature changes and its impact during this coronavirus era. Finally, the daily exchange rate intends to capture Nigerian economic behavior in regards to international trading.

These variables were source from NCDC daily reports, Bloomberg, Accuweather, Nigeria Stock Exchange, and the Central Bank of Nigeria.

4. RESULTS AND DISCUSSION OF FINDINGS

Table one shows the summary of the descriptive statistics of the variables used in this study from 27th February 2020 when the first coronavirus cases were recorded in Nigeria to 17th May 2020. The minimum value price of Brent crude oil was 19.33 dollars while its highest price was at 51.90 dollars. On average, oil prices 31.17 dollars.

Given the period under review, the total cases of coronavirus were minimal of one person in Nigeria and climaxed to 5970 persons during the period under review, the mean total case of coronavirus in Nigeria is 1100. The temperature was minimal at 29 oc and maximum at 38oc, on average, the weather condition in Nigeria was at 33.67 oc. The share index was lowest at 20669 and highest at 26808. On average, Nigeria's share index was at

23078. The daily FOREX rate of naira/dollar was maximum at 398 and minimum at 348 during the COVID 19 pandemic from 27th February 2020 to 17th May 2020, while the mean value was at 379.2.

Table 1. Descriptive Statistics Summary

VARIABLE	MIN	MAX	MEAN	MEDIAN
Daily Oil Price	19.33	51.90	31.17	29.72
Covid 19 Total Cases	1	5970	1100	254
Daily temperature Forecast	29	38	33.67	34
Daily Share Index	20669	26808	23078	22734
Daily Exchange Rate	348	398	379.2	386.5

Table 2. Correlation Table

VARIABLES	CORRELATION
COVID total Cases & Daily FOREX rate	-0.088876
COVID total Cases & Oil Price	-0.178356
COVID total Cases & Share Index	0.170036
COVID total Cases & Weather	-0.299832

Table 3. Oil Price As Dependent Variable

Variable	Coefficient	Stand Error	P-Value
TOT	-.0013946	.0003755	0.000
WEA	.2585887	.3915114	0.511
SHARE	.0031534	.0004637	0.000
EXR	-.1318752	.0589686	0.028
CONSTANT	1.229568	33.5215	0.971
R-squared = 0.6244	F (4, 76) = 31.58	Number of obs = 81	

Table 4. Post-Estimation Test

TEST	P-VALUE	DECISION
Breusch-Pagan heteroscedasticity	0.9915	Homoscedastic
Breusch-Godfrey LM test	0.2867	Autocorrelation
Ramsey RESET test	0.4901	No omitted variables

The second table shows the regression result of the implications of COVID 19 on the economic status of Nigeria. The dependent variable is this model is the daily price of crude oil which serves as a proxy for daily output growth in Nigeria. The variable total-case measures the total confirmed cases of COVID 19 in Nigeria. From the table, the coefficient of total confirmed cases of COVID 19 is -0.0013946. This implies that there is a negative relationship between the daily confirmed COVID 19 cases and daily output growth in Nigeria. A unit increase in the daily COVID 19 confirmed cases will bring about a 0.001 unit of dollar decrease in daily oil price in Nigeria. The daily confirmed COVID 19 cases are significant statistically on 1 percent and 5 percent significance level. This confirms that an increase in COVID 19 harms the Nigerian output growth. The variable weather, which measures daily temperature changes in Nigeria has a coefficient of 0.2585887, this implies that a unit increase on daily temperature will proportionately increase daily crude

oil price by 0.259 dollars. There exists a positive relationship between daily temperature and daily crude oil price although it is not statistically significant on 1 percent and 5 percent level.

The variable share index that measures the daily stock market performance during the coronavirus pandemic has a coefficient value of 0.0031534. Judging by its sign, it suggests that there is a positive relationship between daily share index and daily crude oil price, a measure for daily output growth in Nigeria. A one-unit increase on the daily share index will exhibit a proportionate 0.0032 unit of dollar increase on the daily crude oil price. The daily share index is significant statistically on 1 percent and 5 percent level. The daily exchange rate variable measures the naira/dollar daily variation on FOREX trading on the international market during the coronavirus pandemic. The coefficient from the regression table is -0.1318752. This implies that there exists a negative relationship between the daily exchange rate and daily crude oil price. A one-unit increase in the daily naira/dollar exchange rate will bring about a 0.1319 unit of dollar decrease on the daily crude oil price. It is important to note that the daily exchange rate variable is only significant statistically on the 5 percent level.

The R-squared that measures the goodness of fit of this model is 0.6244, suggesting that the explanatory variables in the model explain up to 62.44 percent variations that exist in the dependent variable, daily crude oil price. The remaining 37.56 percent variations are included and explained by the error term. The post-estimation test on table three suggests on violation of the OLS regression method assumption, the model is homoscedastic with no presence of autocorrelation and specification bias.

4. POLICY IMPLICATIONS, RECOMMENDATIONS AND CONCLUSIONS

The Central Bank of Nigeria has taken intense measures in making arrangements of 50 billion nairas to organizations and SMEs influenced by the global pandemic and is expanding credit to the health sector. Moreover, the Bankers Committee swore to give 3.5 trillion nairas to assist the pharmaceutical firms, help fundamental health organizations in buying materials, and empowering domestic production of medications. While these energizers are important to spike development in the economy, structural policy changes are required to accomplish macro-economic stability and growth sustainability.

Given the size and extent of the economic effect of the Corona pandemic, there is the need to actualize different measures that are inclined to animate and support aggregate demand. Consequently, this work will suggest the accompanying fiscal and money related measures.

Even though there is a cash transfer and palliative program set up, the public sector ought to grease up its strength towards upgrading the efficiency and adequacy of the distributive mechanisms to target families that are most noticeably hit by the coronavirus. The government should make a strong stride in deferring income and corporate taxes from family and firms. This could be accomplished through the Inland Revenue administrations. Both the State and Federal revenue administrations ought to defer tax payment income and corporate taxes for the second quarter of 2020 at least, taking into account that the stun from the pandemic has a negative influence on the income and revenues of family units and firms. The government on their part can also adopt a quantitative easing approach whereby financial assets from financial

institutions are bought in order to pump in money into the system.

Likewise, Central Bank of Nigeria seeks after a choice to expand the cash reserve ratio from 22.5 percent to 27.5 percent as it specified in January 2020, this should be suspended to aid liquidity for banks, so banks can, thus, make credit to the private sector. Given that daily share index still exerts a positive and significant impact on daily output growth, the Central Bank of Nigeria should not be fast in increasing the bank reserve requirement as this will have a direct impact on individuals and firms, which often depends on bank loans to finance their business growth. Increasing the reserve requirement will definitely reduce the ability to source loans from banks and thereby reduce their share prices and thus stock market performance.

The Coronavirus emergency is a reminder to Nigeria as the uncommon and remarkable nature of the pandemic has made it unthinkable for individuals to depend on healthcare facilities abroad and increasingly hard to request for international help given the contending interest for clinical supplies and machines. A more integrated response agglomerating the key sectors including the health, agriculture, trade, hospitality, finance, and manufacturing sectors is required to address structural imbalances that make the economy less versatile to economic and social stuns and constrain its scope of strategy reactions; as this approach follows the balanced growth model and will in long haul broaden the economy.

Also, the naira has been adjusted because of the shortage forex, it is significant that the Central Bank of Nigeria keeps up exchange rate stability by conveying external reserves to maintain a strategic distance from financial specialists auctioning off naira-denominated assets.

Finally, from our research findings, COVID 19 daily spread has a negative relationship with Nigeria daily output growth, it is recommended that Nigerians should strongly adhere to the preventive guidelines as stipulated by the World Health Organisation (WHO) and Nigeria Center for Disease Control (NCDC) which in summary are; regularly washing of hands with soap and running water or sanitize with alcohol-based hand sanitizers, daily practice of physical distancing, refraining from activities and diets that weakens the lungs and avoid making hand contacts with the eyes, nose, mouth, and ear.

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