



NIGERIA

ECONOMIC

UPDATE

**Weekly
Snapshot**

Headline Inflation Eases Marginally to 15.91% in June 2026

According to the [National Bureau of Statistics \(NBS\)](#), Nigeria's headline inflation rate stood at 15.91% year-on-year in June 2026, remaining considerably lower than the 25.29% recorded in June 2025 and easing slightly from 15.93% in May 2026. The Consumer Price Index (CPI) increased to 143.0 from 140.7 in the previous month, while month-on-month headline inflation moderated to 1.66%, down from 1.75% in May. In contrast, food inflation accelerated, rising from 2.98% month-on-month in May to 3.75% in June, an increase of 0.77 percentage points, and reached 17.52% on a year-on-year basis. This increase is attributed primarily to higher prices of fresh tomatoes, dried green peas, beef, cassava flour, and garri, among other food items. Furthermore, food and non-alcoholic beverages remained the largest contributors to headline inflation, accounting for 6.37 percentage points of the year-on-year rate and 0.66 percentage points on a month-on-month basis. Consequently, the marginal 0.02 percentage-point decline in headline inflation provides little relief to households, as the moderation has been driven largely by the core basket. In contrast, the food basket, which constitutes a significant share of household expenditure for the average Nigerian, continues to experience upward price pressures, which, in turn, is likely to affect households' consumption and ultimately their welfare. Therefore, the government should strengthen farm-to-market infrastructure, particularly road networks, and expand storage facilities in surplus-producing states. Such measures would help reduce interstate disparities in food prices and contribute to greater price stability across the country.

Private Sector Activity Expands for the Fifth Consecutive Month in 2026

According to the [Stanbic IBTC Bank Nigeria Purchasing Managers' Index \(PMI\) ®](#), business conditions in Nigeria's private sector improved further in June 2026. The headline PMI stood at 53.4, down slightly from 54.1 in May, but remained comfortably above the 50.0 threshold, thereby extending the current expansion to five consecutive months. This improvement was driven by stronger customer demand and the introduction of new products. Output increased across three of the four sectors monitored, with manufacturing being the only exception. In response to rising workloads, firms expanded their capacity: employment increased for the thirteenth consecutive month, recording its sharpest pace of growth since February 2026, while purchasing activity rose for the nineteenth successive month. Similarly, business confidence reached a one-year high, with 60% of respondents expecting output to increase over the next twelve months. These developments underscore the resilience of the private sector despite prevailing economic challenges. However, sustaining this momentum will require targeted policy interventions. The government should treat reliable electricity supply and road rehabilitation as strategic growth priorities rather than routine maintenance, particularly as these infrastructure constraints are increasingly limiting firms' ability to fulfil existing orders. In addition, addressing payment delays, especially through the timely settlement of public sector obligations, would ease liquidity pressures on businesses and suppliers throughout the value chain. Ultimately, maintaining this positive trajectory will depend on renewed attention to the manufacturing sector. Its continued failure to expand alongside other sectors remains the clearest indication that Nigeria's economic recovery is not yet broad-based.

Bonny Crude Prices Declines by 21.13% in June 2026

According to OPEC's July 2026 Monthly Oil Market [report](#), Nigeria's crude oil grades recorded a significant decline in June 2026. Bonny Light crude averaged US\$90.44 per barrel, representing a sharp month-on-month decrease of US\$24.22 from US\$114.66 per barrel in May. This movement closely mirrored the OPEC Reference Basket, which fell by US\$24.80 to US\$89.75 per barrel over the same period. The decline in Bonny Light prices can be attributed to several factors, including speculative selling in international oil markets, weaker demand from China, a growing overhang of unsold cargoes, disruptions associated with the temporary closure of the Strait of Hormuz, and the easing of geopolitical tensions in the Middle East following diplomatic negotiations between the United States and Iran. For Nigeria, this development has dual implications. Given Nigeria's heavy reliance on crude oil exports, sustained declines in oil prices are likely to reduce foreign exchange earnings and government revenue, thereby constraining fiscal space and increasing the risk of higher public borrowing. Nevertheless, lower Bonny crude oil prices could provide some relief to households by reducing domestic energy and transportation costs, provided these benefits are effectively transmitted throughout the economy. Considering these developments, policymakers should strengthen fiscal discipline by strictly adhering to the fiscal buffer framework and saving excess oil revenues during periods of high prices. In addition, the government should accelerate domestic refining capacity, leveraging recent gains in fuel supply from the Dangote Refinery to increase value addition and reduce dependence on imported petroleum products. Finally, sustained efforts to diversify the economy, particularly through increased investment in agriculture, manufacturing, and other non-oil export sectors, remain essential to reducing Nigeria's vulnerability to fluctuations in global oil prices.

ECONOMIC SNAPSHOT		
Quarterly Indicators	‘25Q4	‘26Q1
GDP Growth Rate (%)	4.07	3.89
Oil GDP Growth Rate (%)	6.79	9.31
Non-oil GDP Growth Rate (%)	3.99	3.94
Unemployment Rate (%)	NA	NA
Foreign Direct Investment (US \$ Million)	357.8	135.1
Portfolio Investment (US \$Millions)	5,486.03	9,862.34
Other Investment (US \$Million)	599.65	374.48
External Debt (FGN & States- N’Trillion)	74,426,735	NA
Domestic Debt (FGN + States & FCT N’Trillion)	84,849,333	NA
Manufacturing Capacity Utilization (%)	NA	NA
Imports (N’Billion)	17.25	13.62
Exports (N’Billion)	18.96	21.17
Total trade (N’Billion)	36.21	34.79
Trade balance (N’Billion)	1.71	7.55
Crude oil Export (N’Billion)	9.702	NA
Non-Crude Oil Export (N’Billion)	9.26	NA
Non-Oils Export (N’Billion)	3.145	NA
Monthly Indicators	April 26’	May 26’
Headline Inflation (%)	15.69	15.93
Food Sub-Index (%)	3.63	2.98
Core Sub-Index (%)	1.03	1.94
External Reserves (End Period) (US\$ Billion)	48.36	49.58
Official Rate Approx. (N/US\$)	1,374.94	1,373.25
BDC Rate Approx. (N/US\$)	1,474	1,373
Manufacturing PMI	52.4	54.1
Non-Manufacturing PMI	48.8	49.3
Average Crude Oil Price (US\$/Barrel)	108.79	114.55
Petrol (PMS-N/litre)	1,531.93	NA
Diesel (AGO -N/Litre)	2,474.69	NA
Kerosene (HHK -N/Litre)	2,976.94	NA
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	8,706.93	NA
MPR (%)	26.50	26.50
CRR of Deposit Money Banks (%)	45	45
T-Bill Rate (%)	15.95	15.95
Savings Deposit Rate (%)	7.34	7.24
Prime Lending Rate (%)	18.87	19.10
Maximum Lending Rate (%)	35.17	34.78
Narrow Money (N’Trillion)	44.62	43.76
Broad Money (N’Trillion)	124.99	129.21
Net Domestic Credit (N’Trillion)	120.18	121.42
Credit to the Government (Net) (N’Trillion)	39.60	40.38
Credit to the Private Sector (N’Trillion)	80.59	81.04
Currency in Circulation (N’Trillion)	5.65	5.69
FAAC (N’Trillion)	2.63	NA

1. Headline Inflation Eases Marginally to 15.91% in June 2026 report from:

<https://microdata.nigerianstat.gov.ng/index.php/catalog/154>

2. Private Sector Activity Expands for the Fifth Consecutive Month in 2026 report from:

https://www.stanbicibtcbank.com/static_file/Nigeria/nigeriabank/Corporate%20and%20Investment/Insights/Stanic%20BTC%20Bank%20PMI%20June%202026.pdf

3. Bonny Crude Prices Declines by 21.13% in June 2026 report from:

<https://momr.opec.org/pdf-download/>