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Weekly Snapshot

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Household Pessimism on the Macroeconomy Deepens in April 2025

The Central Bank of Nigeria's (CBN) April 2025 Household Expectations Survey report reveals a decline in consumer confidence, with the overall index falling to -15.3 points in the month under review from -8.1 index point in the preceding month, signalling deepening pessimism among Nigerian households. The survey gauges consumers' sentiment across three key areas: economic condition, family financial situation, and family income. Respondents reported negative outlooks for all three - economic condition (-15.2 index points), family financial situation (-25.0 index points), and family income (-5.7 index points). Looking ahead, consumers remain pessimistic for May (-5.8 index points), but sentiment turns cautiously optimistic for July (2.5 index points) and October (10.0 index points), suggesting expectations of gradual improvement later in the year. The household's perception index for prices stood at -22.8 points, indicating widespread belief that prices remain relatively high. To strengthen consumer confidence and support economic recovery, the report highlights the need for targeted interventions to reduce macroeconomic volatility, particularly through effective foreign exchange and inflation management. It also highlights the importance of strategic investments in the transport and power sectors, and raw materials, to lower production costs, which could help ease inflationary pressures and stabilise prices.

PMI Report Signals Economic Expansion in April 2025

The Central Bank of Nigeria's (CBN) Purchasing Managers' Index (PMI) report for April 2025 revealed that composite PMI stood at 52.2 index points, marking the fifth consecutive month of economic expansion, signalling sustained positive momentum in the Nigerian economy. The industry sector (51.8 index points) recorded expansion for the fourth consecutive month, driven by increased outputs. Similarly, the services sector index, at 51.8 index points, signalled an expansion of economic activities in the month under review, which is attributable to increases in the number of incoming businesses. Most importantly, the agriculture sector led by 53.8 index points, extending its expansion streak to nine months, with increases in new orders fuelling the identified expansion in the month under review. Composite output (53.2 points), new orders (53.2 points), and employment level (50.7 points) also recorded growth in the month under review. This overall expansion sets a positive tone for Q2 2025. Despite these gains, the report reveals ongoing pressure on business profit margin as input costs continue to outpace output prices. To moderate input costs and ensure that economic expansion is sustained, there is a need to extend grants, tax reliefs, and other incentives to input manufacturing firms in Nigeria.

Firms Express Optimism about the Macroeconomy in April 2025

The Central Bank of Nigeria's (CBN) April 2025 Business Expectations Survey (BES) report revealed an overall business sentiment index of 22.3 points for the month, reflecting broad-based optimism among respondent firms regarding the macroeconomic outlook. This positive sentiment is largely driven by favourable expectations for the exchange rate, which remains a crucial factor underpinning private sector confidence. Respondents (firms) expressed optimism about the overall business outlook for the macroeconomy for May (25.3 index points), July (35.8 index points), and October (42.8 index points) of 2025. The overall outlooks were even more optimistic for industry (43.3 index points), agriculture (43.3 index points), and services (42.2 index points) sectors in the next six months. Despite this prevailing optimism, firms identified significant operational challenges that could temper growth, primarily high interest rates, insecurity, and high taxes. These challenges highlight the need to improve the ease of doing business through adopting a business-friendly interest rate, tackling insecurity, and swift implementation of the Nigerian tax bills.

ECONOMIC SNAPSHOT		
Quarterly Indicators	'24Q3	'24Q4
GDP Growth Rate (%)	3.46	3.84
Oil GDP Growth Rate (%)	5.17	1.48
Non-oil GDP Growth Rate (%)	3.37	3.96
Unemployment Rate (%)	NA	NA
Foreign Direct Investment (US $ Million)	NA	NA
Portfolio Investment (US $Millions)	NA	NA
Other Investment (US $Million)	NA	NA
External Debt (FGN & States- N'Trillion)	NA	NA
Domestic Debt (FGN + States & FCT N'Trillion)	NA	NA
Manufacturing Capacity Utilization (%)	NA	NA
Imports (N'Billion)	NA	NA
Exports (N'Billion)	15,281.18	16,590.51
Total trade (N'Billion)	20,537.17	20,014.33
Total trade (N'Billion)	35,818.35	36,604.83
Trade balance (N'Billion)	5,255.99	3,423.82
Crude oil Export (N'Billion)	10,310.70	13,783.00
Non-Crude Oil Export (N'Billion)	10,226.47	6,231.33
Monthly Indicators	December 24'	January 25'
Headline Inflation (%)	34.80	24.48
Food Sub-Index (%)	39.84	26.08
Core Sub-Index (%)	29.28	22.59
External Reserves (End Period) (US$ Billion)	40.88	39.72
Official Rate Approx. (N/US$)	1,553.73	1,535.95
BDC Rate Approx. (N/US$)	NA	NA
Manufacturing PMI	50.0	51.3
Non-Manufacturing PMI	52.1	48.6
Average Crude Oil Price (US$/Barrel)	74.72	80.76
Petrol (PMS-N/litre)	1,189.12	NA
Diesel (AGO -N/Litre)	1,447.62	NA
Kerosene (HHK -N/Litre)	2,056.38	NA
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	7,177.27	NA
MPR (%)	27.50	27.50
CRR (%)	50.00	50.00
T-Bill Rate (%)	18.00	18.00
Savings Deposit Rate (%)	7.51	7.50
Prime Lending (%)	18.56	18.49
Maximum Lending (%)	29.71	29.79
Narrow Money (N'Trillion)	NA	36.89
Broad Money (N'Trillion)	NA	110.97
Net Domestic Credit (N'Trillion)	NA	99.41
Credit to the Government (Net) (N'Trillion)	NA	24.52
Credit to the Private Sector (N'Trillion)	NA	74.89
Currency in Circulation (N'Trillion)	NA	5.24
FAAC (N'Trillion)	NA	NA
Overall Consumer Confidence Index	-31.1	-23.5

Compiled by the Information and Data Management (IDM) Unit, CSEA
www.cseaafrica.org

NA: Not Available

1. Household Pessimism on the Macroeconomy Deepens in April 2025.report from:
https://www.cbn.gov.ng/Out/2025/STD/APR 2025 Household Expectations Surveys.pdf

2. PMI Report Signals Economic Expansion in April 2025 report from:
https://www.cbn.gov.ng/Out/2025/STD/APR 2025 PMI Report.pdf

3. Firms Express Optimism about the Macroeconomy in April 2025 Retrieve From;
https://www.cbn.gov.ng/Out/2025/STD/APRIL 2025 BUSINESS EXPECTATIONS SURVEY.pdf