Weekly Snapshot

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The IMF Projects Nigeria's Economic Growth at 3.4%

According to the International Monetary Fund's (IMF) Article IV Consultation with Nigeria for July 2025, Nigeria's Real Gross Domestic Product (GDP) is projected to grow by 3.4% in 2025. This year's growth is projected to be largely driven by the commencement of operations of the new domestic refinery, increased oil production, and a robust services sector. The IMF further projected oil GDP to grow by 4.9%, non-oil GDP by 3.3%, and non-oil, non-agricultural GDP by 3.7%. Additionally, medium-term growth is projected to stabilise around 3.5%, amid ongoing global uncertainties and domestic reforms. While the short-term outlook appears positive, the IMF slightly revised downward the growth forecast for 2026 by 0.2%. The decrease is due to external shocks and uncertainty across the global environment. This suggests the need to strengthen current reforms to support steady economic growth. Specifically, the IMF emphasised that for Nigeria to improve its growth outlook, enhance food security, and maintain economic stability, it must address key challenges such as insecurity, bureaucratic inefficiencies, low agricultural productivity, and inadequate infrastructure, particularly electricity, along with increased investment in health and education.

Petrol Prices Drop by 17.07% in May 2025

According to the National Bureau of Statistics' (NBS) Premium Motor Spirit (PMS) report, the average price of PMS, commonly known as petrol, stood at ₦1,027.76 in May 2025. This represents a 17.07% decrease from the ₦1,239.33 month-on-month (MoM) in April 2025 but remains 33.54% higher than the ₦769.62 year-on-year (YoY) recorded in May 2024, indicating continued pressure on consumers. At the state level, Sokoto recorded the highest average price at N1,100.50, followed by Zamfara at ₦1,093.21 and Anambra at ₦1,084.13. Meanwhile, Yobe (₦950.60), Rivers (₦981.67), and Taraba (₦983.00) had the lowest average prices. Furthermore, zonal analysis showed that the Southeast recorded the highest average price at ₦1,049.15, while the North Central zone had the lowest at ₦1,005.42. Although the month-on-month decline may suggest some relief, petrol prices remain significantly high compared to the previous year, posing a sustained burden on transportation costs, business operations, and household spending. To address this, the government should prioritise expanding domestic refining capacity and reducing distribution costs to bring long-term stability to fuel prices. At the same time, supporting affordable public transport and ensuring consistent fuel supply across regions can help ease immediate pressure on households and businesses.

Diesel Prices Rise by 2.08% in May 2025

According to the National Bureau of Statistics (NBS), the month-on-month (MoM) prices of Automotive Gas Oil (diesel) increased slightly by 2.08% from ₦1,722.45 in April 2025 to an average of ₦1,758.26 in May 2025. On a year-on-year (YoY) basis, the average retail price of diesel increased to ₦1,758.26 in May 2025, indicating a 25.24% increase compared to ₦1,403.96 recorded in May 2024. State-level data showed that Benue State (₦2,441.46), Adamawa State (₦2,350.32), and Plateau State (₦2,201.52) recorded the highest average prices, while Ondo State (₦1,318.40), Kogi State (₦1,360.00), and Anambra State (₦1,361.02) had the lowest prices. Across the six geopolitical zones, the North Central Zone recorded the highest average price at ₦1,920.47, while the Southwest Zone recorded the lowest at ₦1,553.19. The steady rise in diesel prices continues to impact key sectors, including transportation, agriculture, and manufacturing, raising overall production costs and potentially driving inflation. Rising inflation reduces the households' purchasing power and consequently lowers their welfare. To reduce these pressures onhouseholds, the government should focus on boosting domestic energy production and exploring alternative fuel sources. In the short term, improving distribution efficiency and supporting businesses' access to bulk fuel purchases could help manage rising operational costs and reduce regional price differences

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)	103.82	NA
Portfolio Investment (US $Millions)	88.31	NA
Other Investment (US $Million)	249.53	NA
External Debt (FGN & States- N'Trillion)	69.23	56.02
Domestic Debt (FGN + States & FCT N'Trillion)	68.89	61.58
Manufacturing Capacity Utilization (%)	60.70	61.90
Imports (N'Billion)	14.67	16.56
Exports (N'Billion)	20.48	20.01
Total trade (N'Billion)	35.16	36.60
Total trade (N'Billion)	5.81	3.42
Trade balance (N'Billion)	13.40	13.78
Crude oil Export (N'Billion)	7.08	6.23
Non-Crude Oil Export (N'Billion)	2.50	2.84
Monthly Indicators	March 25'	April 25'
Headline Inflation (%)	23.71	23.71
Food Sub-Index (%)	39.93	21.26
Core Sub-Index (%)	28.75	23.39
External Reserves (End Period) (US$ Billion)	38.38	37.93
Official Rate Approx. (N/US$)	1,538.2	1,599.4
BDC Rate Approx. (N/US$)	481.60	481.21
Manufacturing PMI	51.50	51.80
Non-Manufacturing PMI	51.50	51.80
Average Crude Oil Price (US$/Barrel)	74.55	NA
Petrol (PMS-N/litre)	1,245.80	1,239.93
Diesel (AGO -N/Litre)	1,599.30	1,722.45
Kerosene (HHK -N/Litre)	2,113.34	2,219.69
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	7,322.49	7,885.60
MPR (%)	27.50	27.50
CRR of Deposit Money Banks (%)	50.00	50.00
T-Bill Rate (%)	17.41	NA
Savings Deposit Rate (%)	7.50	NA
Prime Lending Rate (%)	17.96	NA
Maximum Lending Rate (%)	30.19	NA
Narrow Money (N'Trillion)	38.55	41.01
Broad Money (N'Trillion)	114.20	119.08
Net Domestic Credit (N'Trillion)	102.13	101.46
Credit to the Government (Net) (N'Trillion)	25.86	23.55
Credit to the Private Sector (N'Trillion)	76.27	77.91
Currency in Circulation (N'Trillion)	5.00	5.01
FAAC (N'Trillion)	NA	1.68

NA: Not Available

1. Nigeria's Headline inflation rate eased to 22.97% in May 2025 report from:
CPI_May_2025_Report (1).pdf

2. Nigeria's External Sector Performance: Q1 2025 Balance of Payments Update report from:
https://www.cbn.gov.ng/Out/2025/STD/Balance of Payment Highlights_Q1_2025_.pdf

3 Nigeria's Fiscal Policy Update: Tax Reform Acts Signed into Law Retrieve From;
https://www.pwc.com/ng/en/assets/pdf/the-nigeria-tax-reform-acts-top-20-changes-to-know-and-top-6-things-to-do-pwc.pdf