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Weekly Snapshot

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Nigeria's Inflation Declines to 23.18% in February 2025 after rebasing

According to the Nigeria Bureau of Statistics (NBS), in February 2025, Nigeria's headline inflation rate declined to 23.18%, down from 24.48% in January 2025 after rebasing with January 2024 as the base year (January 2024 = 100), marking a 1.30 percentage point decrease. This decline follows a trend of slowing inflation, providing potential relief to consumers and businesses. On a year-on-year basis, inflation fell by 8.52 percentage points from 31.70% in February 2024. This decline suggests an improvement in price stability compared to the same period last year, though calculations are based on a different base year (November 2009 = 100). Additionally, on a month-on-month basis, the price level increased by 2.04% in February 2025, reflecting continued price pressures despite the overall easing trend. The current decline in inflation may be attributed to a rebased Consumer Price Index (CPI), a recent slowdown in the prices of certain agricultural products, a relatively stable naira, and a reduction in fuel prices following Dangote's price cuts. However, this decline may not accurately reflect the actual cost of goods and services experienced by the average Nigerian. Therefore, the government must address underlying issues such as exchange rate volatility, key drivers of food prices, and other hidden factors that could still contribute to an upward trend in inflation.

Nigerian Stock Market Declines as NGX All-Share Index Drops by 0.94%

In the latest market update, the NGX All-Share Index (ASI) and Market Capitalization recorded declines of 0.94% and 0.80%, closing the week at 104,962.96 points and N65.820 trillion respectively. This downward movement reflects a broader negative trend in the Nigerian equities market. Similarly, most sectoral indices ended the week in the red, with all indices declining, except for the NGX Consumer Goods Index, which showed a marginal appreciation of 0.06%. Meanwhile, the NGX ASeM and NGX Sovereign Bond indices remained unchanged, closing flat for the week. The market downturn can be attributed to multiple factors, including investor sentiment influenced by global economic uncertainties, monetary policy tightening, and foreign exchange volatility. The fluctuations in stock prices also reflect the impact of macroeconomic conditions, particularly inflationary pressures and interest rate adjustments by the Central Bank of Nigeria (CBN). Despite the decline, it is believed that improved corporate earnings, policy stability, and strategic reforms could boost investor confidence and drive a market rebound in the coming weeks. Moving forward, sustaining investor interest will require addressing structural economic challenges and fostering a more business-friendly environment

Nigeria's Business Outlook Strengthens as Firms Express Optimism for February 2025

The CBN Business Expectations Survey (BES) for February 2025 reflects growing optimism among businesses regarding Nigeria's macroeconomic environment. The Overall Business Outlook Index for the current month stood at 19.7, with all sectors expressing positive expectations. The industry sector recorded the highest optimism, suggesting strong confidence in future economic conditions. Businesses also anticipate an appreciation of the Naira in the coming months, reflecting improved foreign exchange expectations. Sector-specific indices further reinforce this positive sentiment. The Business Outlook Index for Industry stood at 21.8, followed by Agriculture at 20.9, and Services at 18.1, indicating broad-based confidence in business growth. The Business Confidence Index (BCI) further highlights sectoral optimism. Mining and Quarrying recorded the highest confidence at 16.0, followed by manufacturing and agriculture at 6.8 each, Market Services at 4.6, Non-Market Services at 3.1, and construction at 1.8. While the overall outlook remains positive, businesses continue to monitor key economic variables, including inflation and access to credit. Sustaining this optimism will require consistent policy support, structural reforms, and measures to enhance economic stability.

ECONOMIC SNAPSHOT		
Quarterly Indicators	'24Q2	'24Q3
GDP Growth Rate (%)	3.19	3.46
Oil GDP Growth Rate (%)	10.15	5.17
Non-oil GDP Growth Rate (%)	2.80	3.37
Unemployment Rate (%)	4.3	NA
Foreign Direct Investment (US $ Million)	29.83	NA
Portfolio Investment (US $Millions)	1404.70	NA
Other Investment (US $Million)	1169.97	NA
External Debt (FGN & States- N'Trillion)	NA	NA
Domestic Debt (FGN + States & FCT N'Trillion)	NA	NA
Manufacturing Capacity Utilization (%)	14.1	NA
Imports (N'Billion)	12.47	14,67
Exports (N'Billion)	19.41	20.48
Total trade (N'Billion)	31.89	35.16
Trade balance (N'Billion)	6.94	5.81
Crude oil Export (N'Billion)	14.55	13.40
Non-Crude Oil Export (N'Billion)	4.85	7.08
Non-Oil Export(N' Billion)	1.77	2.50
Monthly Indicators	December 24'	December 24'
Headline Inflation (%)	34.60	34.80
Food Sub-Index (%)	39.93	39.84
Core Sub-Index (%)	28.75	29.28
External Reserves (End Period) (US$ Billion)	40.23	40.88
Official Rate Approx. (N/US$)	1,607.78	1,553.73
BDC Rate Approx. (N/US$)	NA	NA
Manufacturing PMI	49.3	49.8
Non-Manufacturing PMI	47.4	52.1
Average Crude Oil Price (US$/Barrel)	75.44	74.72
Petrol (PMS-N/litre)	1,214.17	1,189.12
Diesel (AGO -N/Litre)	1,446.83	2,477.62
Kerosene (HHK -N/Litre)	2,042.93	2,056.38
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	7,088.16	7,177.27
MPR (%)	27.50	27.50
CRR (%)	50.00	50.00
T-Bill Rate (%)	18.00	18.00
Savings Deposit Rate (%)	6.56	7.51
Prime Lending (%)	18.39	18.56
Maximum Lending (%)	31.06	29.71
Narrow Money (N'Trillion)	36.27	36.89
Broad Money (N'Trillion)	108.95	NA
Net Domestic Credit (N'Trillion)	115.58	NA
Credit to the Government (Net) (N'Trillion)	39.62	NA
Credit to the Private Sector (N'Trillion)	75.96	NA
Currency in Circulation (N'Trillion)	4.88	NA
FAAC (N'Trillion)	NA	NA
NA-Not Available		

NA: Not Available

1. Nigeria's Inflation Declines to 23.18% in February 2025 after rebasing
C:/Users/CSEA/Downloads/Q4_2024_GDP_Report%20(2).pdf
2. Nigerian Stock Market Declines as NGX All-Share Index Drops by 0.94%
report from:
https://ngxgroup.com/exchange/data/market-report/
3. Nigeria's Business Outlook Strengthens as Firms Express Optimism for February 2025
Retrieve From;
https://www.cbn.gov.ng/Out/2025/STD/Jan%202025%20BES.pdf