CSEA
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Weekly Snapshot

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Market Recovers Slightly Amid Broad Sectoral Declines and Fragile Investor Sentiment

The Nigerian Exchange (NGX) weekly market report for the final week of April 2025 (Monday–Friday) closed with a marginal improvement, as the NGX All-Share Index (ASI) rose by 0.27% to 106,042.57 points, while market capitalisation increased by 0.28% to ₦66.65 trillion. This modest uptick signals a cautious return by investors following a persistent decline since March, largely triggered by profit-taking and macroeconomic uncertainties. However, beneath the headline gains, sectoral performance remained broadly negative. Major indices such as NGX Banking (-0.38%), Insurance (-2.89%), AFR Bank Value (-0.04%), MERI Value (-2.08%), Oil & Gas (-2.90%), Lotus II (-0.01%), Sovereign Bond (-0.19%), and Commodity (-1.12%) all recorded losses. These declines reflect continued investor concerns over inflationary pressures, restrictive monetary policies, and weak earnings expectations across key sectors. The marginal recovery in the ASI was supported by selective interest in fundamentally strong stocks; yet, persistent underperformance across core segments highlights the fragility of overall market sentiment. To build long-term resilience, policymakers and capital market stakeholders must prioritise restoring investor confidence through consistent macroeconomic policies, transparent regulations, and targeted, market-friendly reforms. Curbing inflation, stabilising the naira, and enhancing sectoral competitiveness are critical to sustaining capital inflows and driving a more inclusive market rebound.

Nigeria's Interbank Market Rates Ease Slightly After February Peak

Nigeria's interbank market experienced significant volatility in early 2025; however, recent data from the Central Bank of Nigeria (CBN) shows a modest decline in short-term rates since March, indicating easing liquidity pressures. The Open Buy Back (OBB) rate peaked at 32.58% in February, reflecting tight system liquidity and aggressive mop-up operations by the CBN. In January, the OBB rate ranged between 26.50% and 33.00%, with a weighted average of 32.50%, underscoring severe liquidity constraints. By March, conditions began to ease slightly, with OBB rates falling between 26.50% and 36.50%. This softening persisted into April, as rates fluctuated between 27.32% and 32.50%, indicating a gradual reduction in pressure. Call rates mirrored this trend. After staying above 31.00% in both January and February, call rates declined in March, reaching lows of 26.50%, and averaged around the same 26.50% in April, reinforcing signs of improved interbank liquidity. This decline in rates is largely attributed to increased fiscal disbursements, maturing government securities, and more measured liquidity management by the CBN. However, despite recent improvements, short-term rates remain elevated compared to pre-2024 levels, suggesting that interbank market conditions are yet to fully normalise. Further moderation will depend on sustained liquidity injections and favourable macroeconomic shifts.

Moderate Price Gains in Staple Foods Signal Emerging Inflationary Pressures

According to the National Bureau of Statistics (NBS), food prices in Nigeria showed moderate fluctuations in the five weeks ending 4th May 2025. The retail prices of major staple foods such as brown beans, garri, rice, maize, sorghum, soyabeans, white beans, and yam were tracked across five weeks, highlighting short-term inflationary trends within the food market. Among the key staples, brown beans rose marginally by 1.42%, from ₦2,043 on 6 April to ₦2,072 on 4 May. Garri experienced a relatively stable trend, increasing by 1.40%, from ₦858 to ₦870 over the same period. Imported rice recorded a slight decrease of 0.60%, while local rice saw a 0.30% increase, reflecting stability in rice markets despite regional supply chain concerns. Maize white and maize yellow saw noticeable price increases of 0.95% and 1.86%, respectively, possibly driven by rising demand for livestock feed and seasonal planting pressures. Sorghum and soyabeans recorded more significant gains, climbing by 3.44% and 3.49%, indicating increasing demand and potential supply constraints. White beans rose modestly by 0.88%, while yams showed consistent week-on-week growth, ending the period with a 3.15% increase from ₦1,557 to ₦1,606. The steady uptick in yam and grain prices suggests incipient food inflation, potentially driven by seasonal planting cycles, transportation costs, and insecurity in food-producing regions. While most price changes remained moderate, the cumulative trend points indicates increasing pressure on household food budgets. Continued monitoring of food prices is essential as Nigeria navigates climate variability, fuel subsidy reforms, and FX market adjustments. Policymakers must consider scaling up investments in agricultural value chains, improving storage infrastructure, and enhancing logistics efficiency to mitigate food inflation and ensure affordability.

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

NA: Not Available

1. Market Recovers Slightly Amid Broad Sectoral Declines and Fragile Investor Sentiment
.report from:
https://doclib.ngxgroup.com/market_data-site/other-market-information-site/Week Market Report/Weekly Market Report for the Week Ended 02-05-2025.pdf

2. Nigeria's Interbank Market Rates Ease Slightly After February Peak report from:
https://www.cbn.gov.ng/rates/interbankrates.html

3. Moderate Price Gains in Staple Foods Signal Emerging Inflationary Pressures Retrieve From;
https://www.nigeriafoodpricetracking.ng/dashboard.html