Weekly Snapshot

December 19th. 2025. *Issue 47*

Nigeria’s Outlook Revised to Positive from Stable

S&P Global Ratings stated in its article dated November 14, 2025, that it revised Nigeria’s credit outlook from stable to positive while maintaining the country’s ‘B-/B’ sovereign credit ratings. This improved outlook is attributed to advancements in external, economic, fiscal, and monetary conditions.Despite numerous challenges, including low GDP per capita, a weak but improving fiscal revenue base, high debt servicing costs relative to revenues, and challenges in compiling national statistics, Nigerian authorities are actively taking steps to improve the economy’s growth prospects and macroeconomic resilience. Both the hydrocarbon and non-hydrocarbon sectors' growth outlooks are rated as improving, with efforts to combat militancy and theft likely to increase hydrocarbon production.To capitalise on this positive momentum, the government should ensure effective implementation of the new tax bill through effective awareness campaigns and a robust monitoring and evaluation framework to broaden the revenue base and reduce leakages effectively. In addition, increased budgetary allocation to the National Bureau of Statistics (NBS) to strengthen data compilation would enhance data accuracy and support more informed policy decisions. Furthermore, encouraging investment in the non-hydrocarbon sectors, particularly through improved infrastructure and tax incentives, could reduce dependency on hydrocarbons and provide a buffer against commodity price volatility.

Demand and Supply of Credit Improves in Q3 2025

The Central Bank of Nigeria (CBN's) Q3 2025 Credit Conditions Survey report, which reflects lenders’ feedback on secured and unsecured lending, shows notable improvements in credit demand and availability. Credit supply for secured (21.2 index points), unsecured (7.1 index points), and corporate lending (12.0 index points) all increased. Credit demand rose as well, with secured credit at 13.7 index points, unsecured credit at 1.0 index points, and corporate lending at 25.0 index points. While default rates fell by 5.1 index points for secured lending, it increased for unsecured (-8.6 index points) and corporate lending across all business types. The overall spreads on secured and unsecured lending rates to households relative to the Monetary Policy Rate (MPR) widened in Q3 2025. However, for corporate lending, spreads narrowed for Medium Private Non-Financial Corporations (PNFCs) and Other Financial Corporations (OFCs) but widened for small businesses and large PNFCs. To enhance credit market stability, the CBN should strengthen credit guarantee schemes specifically tailored for small businesses to mitigate rising default risks, alongside real-time credit scoring to improve transparency, streamline loan approval processes, and help lenders better price risk across all borrower categories.

CBN Retains MPR at 27.0% in November 2025

The Central Bank of Nigeria (CBN's) 303rd Monetary Policy Committee (MPC) meeting, convened on November 24-25, 2025, opted to hold the Monetary Policy Rate (MPR) steady at 27.0% while adjusting the Standing Facility corridor to +50/-450 basis points. The Cash Reserve Requirement (CRR) was maintained across the board: Deposit Money Banks at 45.0%, Merchant Banks at 16.0%, and the non-TSA public sector at 75.0%. The Liquidity Ratio was retained at 30.0%. The Committee considered the sustained deceleration in headline inflation (year-on-year) over seven consecutive months, reaching 16.05% in October 2025. This decline was attributed to factors such as sustained monetary policy tightening, stable exchange rates, increased capital inflows, surplus current account balance, better food supply, and stability in the price of Premium Motor Spirit (PMS). To sustain these positive trends, the CBN should intensify efforts to enhance the efficiency of foreign exchange market interventions by leveraging digital tracking and forecasting tools (using Machine Learning and Artificial Intelligence infrastructure) to anticipate volatility and respond promptly. It is also necessary to boost agricultural output through the release of large quantities of fertiliser to the Ministry of Agriculture and collaboration with state governments to improve security in farming regions and sustain agricultural activities. Furthermore, there is a need to expand social intervention programmes to shield vulnerable populations from the effects of inflation.

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 $Million)	249.53	NA
External Debt (FGN & States- N'Trillion)	69.23	56.02
Domestic Debt (FGN + States & FCT N'Trillion)	68.89	61.58
Manufacturing Capacity Utilization (%)	60.70	61.90
Imports (N'Billion)	14.67	16.56
Exports (N'Billion)	20.48	20.01
Total trade (N'Billion)	35.16	36.60
Total trade (N'Billion)	5.81	3.42
Trade balance (N'Billion)	13.40	13.78
Crude oil Export (N'Billion)	7.08	6.23
Non-Crude Oil Export (N'Billion)	2.50	2.84
Monthly Indicators	May 25'	June 25'
Headline Inflation (%)	22.97	22.22
Food Sub-Index (%)	21.14	21.97
Core Sub-Index (%)	22.28	22.76
External Reserves (End Period) (US$ Billion)	38.45	37.21
Official Rate Approx. (N/US$)	1,586.2	1549.8
BDC Rate Approx. (N/US$)	NA	NA
Manufacturing PMI	51.60	51.4
Non-Manufacturing PMI	51.70	51.3
Average Crude Oil Price (US$/Barrel)	65.90	73.50
Petrol (PMS-N/litre)	1,027.76	1,037.66
Diesel (AGO -N/Litre)	1,758.26	1,813.81
Kerosene (HHK -N/Litre)	2,175.29	2,192.63
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	8,167.43	8,323.95
MPR (%)	27.50	27.50
CRR of Deposit Money Banks (%)	50.00	50.00
T-Bill Rate (%)	19.07	17.90
Savings Deposit Rate (%)	7.53	7.52
Prime Lending Rate (%)	18.01	18.19
Maximum Lending Rate (%)	29.84	29.51
Narrow Money (N'Trillion)	40.38	39.92
Broad Money (N'Trillion)	119.01	117.50
Net Domestic Credit (N'Trillion)	102.90	99.86
Credit to the Government (Net) (N'Trillion)	25.07	23.73
Credit to the Private Sector (N'Trillion)	77.83	76.13
Currency in Circulation (N'Trillion)	5.01	5.0
FAAC (N'Trillion)	1.66	1.82

NA: Not Available

1. Nigeria's Outlook Revised to Positive from Stable report from:
https://www.spglobal.com/ratings/en/regulatory/article/-/view/type/HTML/id/3479166

2. Demand and Supply of Credit Improves in Q3 2025 report from:
https://www.cbn.gov.ng/Out/2025/STD/Q3 2025 Credit Conditions Survey Report.pdf

3 CBN Retains MPR at 27.0% in November 2025 report from
https://www.cbn.gov.ng/Out/2025/CCD/MPC Communique No. 160 November 25 2025.pdf