CSEA
Centre for the Study of the Economies of Africa

Weekly Snapshot

November 14 th. 2025. Issue 42

World Bank Highlights Nigeria's Path to Inclusive Employment and Productivity

The World Bank's Africa's Pulse report on pathways to job creation in Africa (October 2025) indicated that Nigeria ranks highest among countries facing significant employment challenges. The report noted that only one in six workers in Sub-Saharan Africa holds a wage-paying job, compared to one in two in high-income countries. Despite a projected increase of over 620 million people in Sub-Saharan Africa's labour force between 2025 and 2050, a 1 percentage point rise in GDP growth yields only a 0.04 percentage point increase in wage employment. The data also revealed that 98 million Nigerians experience employment challenges, a figure significantly higher than the 72 million recorded for the Democratic Republic of Congo, 67 million for Ethiopia, and 40 million for Tanzania. High levels of underemployment and informality persist in Nigeria, driven by limited firm/business growth, reliance on self-employment, and weak labour bargaining power. The report emphasised that Africa's growth trajectory remains positive but insufficiently inclusive. To leverage Nigeria's growing youth population, government policies must prioritise productivity-enhancing investments in education and skills development, strengthen infrastructure and access to finance, and translate firm growth into sustainable employment opportunities to ensure that economic expansion benefits a broader segment of the population.

Headline Inflation Declines by 2.1 Percentage Points in September 2025

According to the Consumer Price Index (CPI) data, Nigeria's inflationary trend showed notable moderation in September 2025, offering signs of easing price pressures across major categories. The CPI rose slightly to 127.7 points, up from 126.8 in August 2025, indicating a marginal increase in the general price level. Headline inflation eased to 18.02% in September, down from 20.12% in August, reflecting a 2.1 percentage point decline month-on-month. This suggests improved price stability, driven by enhanced food supplies, a tighter monetary policy stance, and exchange rate stabilisation measures by the Central Bank of Nigeria (CBN).On a year-on-year basis, headline inflation stood at 14.68 percentage points lower than the 32.70% recorded in September 2024, signalling substantial progress in curbing inflationary pressures compared to last year. Similarly, the month-on-month inflation rate stood at 0.72% in September, marginally lower than 0.74% in August. This implies that while prices continued to rise, the pace of increase slowed slightly during the month, indicating a gradual easing of cost pressures.The sustained decline in inflation reflects the combined impact of improved agricultural output, easing fuel price adjustments, and firmer exchange rate management. If maintained, the trend would support real income recovery and enhance consumer purchasing power. Going forward, consolidating this stability will require maintaining prudent fiscal discipline, strengthening food distribution networks, and sustaining reforms that promote exchange rate stability and productivity growth across sectors.

Nigeria's Private Sector Growth Declines in September 2025

The Stanbic IBTC Bank of Nigeria's Purchasing Managers' IndexÊ (PMI®) report for the month of October shows that the Nigerian Private sector recorded a decline in the month of September 2025, standing at 53.4 points, down from 54.2 index points in August 2025. The September 2025 index remained within the growth trajectory, above the 50.0 benchmark, marking continued improvement in output. An index below 50.0 points shows deterioration in business conditions, an index of exactly 50.0 points signifies no change and an index above 50.0 points signals an improvement in business conditions. Although the index for September showed a decline from the value recorded in August, due to slight increases in input costs, the PMI continues to point at a solid strengthening of business conditions, which occurred due to easing inflationary pressures and improved output. The drop from 54.2 to 53.4 points, while still above the 50.0 benchmark, implies that business activities are expanding at a slower pace, signalling a potential slowdown in private sector momentum. Furthermore, the slight increase in input costs indicates that firms are still grappling with supply chain inefficiencies and foreign exchange instability. Therefore, policymakers should sustain efforts to stabilise the exchange rate to ease production costs, as well as expand credit facilities and reduce lending rates to help firms cope with cost pressures and sustain growth momentum.

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. World Bank Highlights Nigeria's Path to Inclusive Employment and Productivity report from:
https://openknowledge.worldbank.org/bitstreams/b5da2f4a-a813-4d87-8bc2-03e4c53b89f6/download

2. Headline Inflation Declines by 2.1 Percentage Points in September 2025 report from:
..\AppData\Local\Temp\2cba80f1-a3c2-46f0-9c47-53f09496ef13_CPI_September_2025.zip.f13\CPI_September_2025.pdf

3 Nigeria's Private Sector Growth Declines in September 2025 report from
https://www.stanbicibtcbank.com/static_file/Nigeria/nigeriabank/Corporate and Investment/Downloads/Stanbic IBTC Bank PMI- September 2025.pdf