



NIGERIA

ECONOMIC

UPDATE

**Weekly
Snapshot**

Nigeria Exceeds OPEC Quota Despite July Production Dip

According to the [Nigerian Upstream Petroleum Regulatory Commission \(NUPRC\)](#), Nigeria exceeded its OPEC crude oil production quota of 1.5 million barrels per day (mbpd) for the third consecutive month in July 2026, producing 1.505 mbpd of crude oil and 0.17 mbpd of condensates, resulting in a combined output of 1.67 mbpd. However, total production declined by approximately 4% month-on-month, largely due to operational disruptions at the Erha and Akpo assets. Despite these setbacks, relatively stable operations at the Forcados, Bonny, Qua Iboe, Escravos and Bonga terminals indicate some degree of resilience within the wider oil-producing system. The ability to maintain production above the OPEC quota despite asset-specific disruptions is encouraging, particularly given the importance of crude oil production to government revenues, export earnings and foreign-exchange liquidity. However, the month-on-month decline also shows the vulnerability of aggregate production to disruptions at individual high-output assets. Sustaining the recent improvement therefore requires not only maintaining production at operational fields but also reducing unplanned downtime and accelerating the restoration of impaired capacity. The NUPRC and relevant industry stakeholders should strengthen proactive asset maintenance, production monitoring and rapid-response mechanisms for addressing operational disruptions.

Headline Inflation Declines to 15.43%

According to the [National Bureau of Statistics \(NBS\)](#), Nigeria's headline inflation rate moderated to 15.43% year-on-year in July 2026, down from 15.91% in June, despite the Consumer Price Index (CPI) rising to 145.3. On a month-on-month basis, headline inflation also eased to 1.57%, compared with 1.66% in the previous month. Core inflation, which excludes relatively volatile food and energy components, also moderated to 14.97% year-on-year, while its monthly rate fell sharply to 0.15%. However, food inflation moved in the opposite direction, rising significantly to 5.56% in July from 3.75% in June, driven largely by higher prices of fresh pepper, onions, tomatoes and water yam. The broad moderation in headline and core inflation suggests that recent macroeconomic adjustments are beginning to ease underlying price pressures. However, the sharp acceleration in monthly food inflation highlights persistent supply-side constraints, seasonal pressures and weaknesses in agricultural distribution networks. This divergence is particularly concerning because food and non-alcoholic beverages account for a substantial share of household expenditure, meaning that continued food-price pressures could undermine the gains from moderating core inflation and prolong cost-of-living pressures. Given the situation, it is expedient for the government to complement monetary measures with targeted supply-side interventions in food-producing areas. In the immediate term, the Federal Ministry of Agriculture and relevant state authorities should identify major food-supply bottlenecks and prioritise the rehabilitation of roads, storage facilities and irrigation infrastructure in affected production corridors. Above all, the Central Bank of Nigeria should maintain a sufficiently tight monetary stance to prevent temporary food-price shocks from becoming embedded in broader inflation expectations.

Bank of Industry Secures SEC Approval for Inaugural ₦250 Billion Bond

The [Securities and Exchange Commission \(SEC\)](#) has approved the Bank of Industry's (BOI) Series 1 Bond Issuance, marking the launch of its US\$1 billion Medium-Term Multi-Currency Instruments Programme. The approval allows BOI to commence book building for fixed-rate bonds of up to ₦250 billion under the inaugural series. Structured to match the long-term financing needs of development finance, the five-year bond provides for semi-annual coupon payments and a two-year moratorium on principal repayment, after which the principal will be repaid on an amortising basis. The issuance represents an important step toward diversifying BOI's funding base and expanding access to long-term finance for Nigeria's real sector. It could also deepen the domestic debt capital market by introducing development finance instruments that provide institutional investors with long-term, investment-grade assets aligned with national development priorities. More importantly, the availability of patient capital could support investment in productive capacity, enterprise expansion, and industrial development. The issuance of the bonds has some policy implications. First, BOI should establish a clear sectoral allocation framework and transparent monitoring mechanism to ensure that bond proceeds are channelled towards priority areas with strong potential for job creation, productivity growth, and export diversification. Second, the bank should publish periodic reports on the utilisation and development impact of the proceeds to strengthen accountability and investor confidence. Third, Chapel Hill Denham and Quest Merchant Bank, as transaction advisers, should support BOI in maintaining robust investor engagement and developing the issuance as a replicable model for future development finance instruments. Sustaining a pipeline of well-structured long-term financing will be critical to narrowing Nigeria's industrial credit gap and supporting more resilient, broad-based and non-oil economic growth.

ECONOMIC SNAPSHOT		
Quarterly Indicators	'25Q4	'26Q1
GDP Growth Rate (%)	4.07	3.89
Oil GDP Growth Rate (%)	6.79	9.31
Non-oil GDP Growth Rate (%)	3.99	3.94
Unemployment Rate (%)	NA	NA
Foreign Direct Investment (US \$ Million)	357.8	135.1
Portfolio Investment (US \$Millions)	5,486.03	9,862.34
Other Investment (US \$Million)	599.65	374.48
External Debt (FGN & States- N'Trillion)	74,426,735	NA
Domestic Debt (FGN + States & FCT N'Trillion)	84,849,333	NA
Manufacturing Capacity Utilization (%)	NA	NA
Imports (N'Billion)	17.25	13.62
Exports (N'Billion)	18.96	21.17
Total trade (N'Billion)	36.21	34.79
Trade balance (N'Billion)	1.71	7.55
Crude oil Export (N'Billion)	9.702	NA
Non-Crude Oil Export (N'Billion)	9.26	NA
Non-Oils Export (N'Billion)	3.145	NA
Monthly Indicators	April 26'	May 26'
Headline Inflation (%)	15.69	15.93
Food Sub-Index (%)	3.63	2.98
Core Sub-Index (%)	1.03	1.94
External Reserves (End Period) (US\$ Billion)	48.36	49.58
Official Rate Approx. (N/US\$)	1,374.94	1,373.25
BDC Rate Approx. (N/US\$)	1,474	1,373
Manufacturing PMI	52.4	54.1
Non-Manufacturing PMI	48.8	49.3
Average Crude Oil Price (US\$/Barrel)	108.79	114.55
Petrol (PMS-N/litre)	1,531.93	NA
Diesel (AGO -N/Litre)	2,474.69	NA
Kerosene (HHK -N/Litre)	2,976.94	NA
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	8,706.93	NA
MPR (%)	26.50	26.50
CRR of Deposit Money Banks (%)	45	45
T-Bill Rate (%)	15.95	15.95
Savings Deposit Rate (%)	7.34	7.24
Prime Lending Rate (%)	18.87	19.10
Maximum Lending Rate (%)	35.17	34.78
Narrow Money (N'Trillion)	44.62	43.76
Broad Money (N'Trillion)	124.99	129.21
Net Domestic Credit (N'Trillion)	120.18	121.42
Credit to the Government (Net) (N'Trillion)	39.60	40.38
Credit to the Private Sector (N'Trillion)	80.59	81.04
Currency in Circulation (N'Trillion)	5.65	5.69
FAAC (N'Trillion)	2.63	NA

1. Nigeria Exceeds OPEC Quota Despite July Production Dip report from:

<https://www.nuprc.gov.ng/media/news/f89a978eca733d8947ae6c48>

2. Headline Inflation Declines to 15.43% report from:

<https://microdata.nigerianstat.gov.ng/index.php/catalog/154>

3. Bank of Industry Secures SEC Approval for Inaugural ₦250 Billion Bond report from:

<https://www.boi.ng/boi-250-billion-series-1-bond-issuance/>