



NIGERIA

ECONOMIC

UPDATE

**Weekly
Snapshot**

Dangote Refinery Capacity Reaches 105.2%

According to the NMDPRA August 2026 [Factsheet](#), the Dangote Refinery recorded an average capacity utilisation of 105.21%, producing 41.94 million litres per day (ML/D) of Premium Motor Spirit (PMS), alongside substantial volumes of diesel and aviation fuel. Average domestic PMS consumption stood at 41.5 ML/D, below the 50.0 ML/D benchmark, while national PMS stock sufficiency was 22.9 days, below the required 30-day strategic threshold. In contrast, Automotive Gas Oil (AGO) had a 51.6-day stock surplus, while Liquefied Petroleum Gas (LPG) consumption increased to 4.8 Kilotonnes per day (KT/D), despite a 17.2-day stock deficit. Nationwide gas processing averaged 8.258 billion cubic feet per day (Bcf/d) across 47 plants, representing 51.02% capacity utilisation, with 0.633 Bcf/d supplied for power generation. The increase in domestic refining capacity and the substantial diesel stock buffer represent progress towards greater domestic fuel supply and stability. However, the PMS and LPG stock deficits remain important vulnerabilities, particularly because both products are critical to household and economic activity. The relatively low utilisation of gas-processing capacity also suggests scope to increase domestic gas availability, including for power generation. NMDPRA and midstream operators should establish clear inventory targets and require refiners, importers and storage operators to maintain at least the 30-day strategic stock threshold for PMS, while progressively closing the LPG inventory gap. Storage expansion should prioritise locations with persistent supply and distribution constraints, along with regular public reporting of stock levels against strategic targets. The authorities should also develop incentives and performance targets to raise gas-processing utilisation and increase the volume of processed gas available to power plants. At the same time, sustaining high domestic refinery utilisation should remain a priority, while regulatory monitoring should ensure that increased refining capacity translates into reliable domestic supply. These measures would reduce exposure to supply disruptions, strengthen energy security and help moderate the risk of fuel-supply shocks being transmitted to transport and household costs.

Monetary Policy Committee Reduces MPR to 23%

According to the Central Bank of Nigeria's [Monetary Policy Committee \(MPC\)](#), the Committee resets its benchmark interest rate to 23%, down from 26.5%, while recalibrating the Standing Facilities Corridor to +50/-300 basis points. The Cash Reserve Requirements (CRR) were retained at 45% for deposit money banks, 16% for merchant banks, and 75% for non-TSA public sector deposits. This operational realignment is intended to strengthen monetary policy transmission, reduce interest-rate divergence and support the transition towards an inflation-targeting framework without changing the underlying monetary stance. The decision comes against a backdrop of improving macroeconomic conditions. [Headline inflation](#) fell for the third consecutive month to 15.39% year-on-year in August 2026, supported by moderating food inflation to 19.57% and core inflation to 13.29%. [Real GDP growth](#) also accelerated to 4.43% in Q2 2026, while the [current-account surplus](#) increased by 67.93% to US\$7.54 billion. These developments suggest improved macroeconomic stability, strengthening monetary transmission and more robust external-sector buffers. Nevertheless, geopolitical risks and potential election-related spending remain important upside risks to inflation. The CBN should therefore closely monitor how the recalibrated corridor affects lending rates, credit growth, liquidity and inflation expectations, while maintaining a data-dependent approach to further policy adjustments. Fiscal authorities should, meanwhile, accelerate structural measures that can reduce production and transportation costs, including the national CNG transit initiative, and monitor their implementation and pass-through to transport prices. Stronger coordination between monetary and fiscal authorities will be essential to consolidate the recent disinflation, protect household purchasing power and support sustainable economic growth.

Grid Surge: Daily Peak Electricity Generation Reaches 5,139.70 MW

According to daily operational performance [data](#) from the electricity system operator for 22 September 2026, peak electricity generation increased to 5,139.70 MW, up from 4,915.20 MW in the preceding period. Off-peak generation also rose to 3,959.97 MW, compared with 3,863.36 MW previously, while total daily energy generated increased to 103,847.64 MWh. Energy sent out across the national grid reached 102,343.45 MWh, representing more than 98.5% of total generation. The increase in peak generation above 5,100 MW signals a gradual improvement in generation capacity and system performance. Similarly, maintaining daily energy evacuation above 102,000 MWh provides greater electricity availability for households and businesses and could reduce reliance on costly alternative power sources. However, the difference between energy generated and energy sent out indicates that some electricity continues to be lost within the transmission system, highlighting the need to address remaining evacuation and grid constraints. Policy action: System operators should prioritise upgrades to transmission lines, substations and transformer capacity in locations where congestion is limiting energy evacuation. The authorities should also establish measurable targets for reducing transmission losses and publicly track progress against these targets. In parallel, resolving liquidity constraints across the electricity value chain is essential to ensure that generating companies can secure reliable gas supplies and maintain generation capacity. Sustaining these improvements, while addressing transmission and gas-supply bottlenecks, will be critical to achieving a more reliable power system and reducing the cost of electricity for productive activities.

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	July 26’	Aug 26’
Headline Inflation (%)	15.43	15.39
Food Sub-Index (%)	5.56	1.02
Core Sub-Index (%)	0.15	-0.06
External Reserves (End Period) (US\$ Billion)	51.92	53.81
Official Rate Approx. (N/US\$)	1,368.22	1,332.93
BDC Rate Approx. (N/US\$)	1,388	1,405
Manufacturing PMI	49.2	50.8
Non-Manufacturing PMI	51.1	53.3
Average Crude Oil Price (US\$/Barrel)	84.81	94.64
Petrol (PMS-N/litre)	NA	NA
Diesel (AGO -N/Litre)	NA	NA
Kerosene (HHK -N/Litre)	NA	NA
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	NA	NA
MPR (%)	26.50	26.50
CRR of Deposit Money Banks (%)	45	45
T-Bill Rate (%)	17.70	17.59
Savings Deposit Rate (%)	7.36	7.46
Prime Lending Rate (%)	19.06	17.86
Maximum Lending Rate (%)	33.16	29.20
Narrow Money (N'Trillion)	43.70	43.26
Broad Money (N'Trillion)	138.77	139.37
Net Domestic Credit (N'Trillion)	117.35	117.25
Credit to the Government (Net) (N'Trillion)	33.92	32.70
Credit to the Private Sector (N'Trillion)	83.43	84.56
Currency in Circulation (N'Trillion)	5.38	5.44
FAAC (N'Trillion)	3.007	2.338

1. Dangote Refinery Capacity Reaches 105.2% report from:

<https://alps.blob.core.windows.net/ersp/NMDPRA%20Factsheet%20-%20August%202026-5.pdf>

2. Monetary Policy Committee Reduces MPR to 23% report from:

https://www.cbn.gov.ng/Out/2026/CCD/MPC_Comminique%20No%20164%20Sept%202026%20MPR%20Corridor%20Recalibration.pdf

<https://microdata.nigerianstat.gov.ng/index.php/catalog/154/download/1435>

https://microdata.nigerianstat.gov.ng/index.php/catalog/147/download/1433/Q2_2026_GDP_Report.zip

https://www.cbn.gov.ng/Out/2026/STD/Q2%202026%20BOP%20Highlights_%20revised.pdf

3. Grid Surge: Daily Peak Electricity Generation Reaches 5,139.70 MW report from:

<https://www.niggrid.org/>