CSEA
CENTRE FOR THE STUDY OF THE ECONOMIES OF AFRICA

Weekly Snapshot

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Crude Oil Production Increases by 0.8% in October 2025

According to the Organisation of Petroleum Exporting Countries (OPEC) Monthly Oil Market report for November 2025, Nigeria's crude oil production increased marginally to 1.4 million barrels per day (mb/d) in October 2025, representing a 0.8% rise from the 1.3 mb/d recorded in September 2025. Despite this slight increase, production remained below the country's oil production quota of 1.5 mb/d, marking the third consecutive month that Nigeria failed to meet its target. Concurrently, the price of Nigeria's Bonny Light fell from $69.44 per barrel in September to $65.53 per barrel in October 2025, a decrease of $3.91 per barrel. The continued inability to meet production quotas reflects operational inefficiencies and persistent challenges, including pipeline vandalism.The decline in crude oil prices in October 2025 was driven by increased global oil supply, which exceeded demand by 500,000 barrels per day. Lower oil prices combined with production shortfalls have direct implications for government revenues from oil exports, creating macroeconomic uncertainty and putting pressure on exchange rate stability. To address production shortages, the government should strengthen infrastructure and security measures to prevent vandalism and operational disruptions. Investment in downstream activities, such as gas commercialisation, could help reduce dependence on crude oil export revenue. Additionally, efforts to diversify the economy should be intensified to mitigate exposure to global oil market shocks, which is significantly shaped by numerous global factors.

Nigeria's Private Sector Records Improved Growth in October 2025

The Stanbic IBTC Bank's Purchasing Managers' IndexÊ (PMI®) report for October showed that Nigeria's private sector recorded growth. The PMI index for the month under review stood at 54.0 points, a 0.6-point increase from the 53.4 index points recorded in September 2025. Business conditions in Nigeria have now strengthened in 11 consecutive months, with the October index marking the highest output growth in six months, showing improved growth across key sectors such as agriculture, construction, and services.The improved growth occurred as a result of declining inflation and increased product demand, which encouraged firms to expand in the month under review. However, the report also noted that operational challenges, such as power outages, led to production backlogs. The sustained growth of Nigeria's private sector signals a continued recovery of domestic economic activity and increased business confidence. The report also notes a rise in firm staff hires, which indicates potential improvements in labour market conditions.However, operational bottlenecks may constrain productivity and limit output growth, necessitating the government's support to businesses, such as investing in energy infrastructure, providing a tax-friendly environment, improving access to finance, and reducing operational costs for small and medium enterprises.

Headline Inflation Falls to 16.05% in October 2025

According to the October 2025 inflation report by the National Bureau of Statistics (NBS), Nigeria's inflation exhibited a combination of easing long-term pressures and persistent short-term increases, reflecting ongoing adjustments in the macroeconomic environment. The Consumer Price Index (CPI) rose to 128.9, up from 127.7 in September, indicating a continued upward trend in the general price level across goods and services. Despite this increase, the headline inflation rate moderated to 16.05% in October from 18.02% in September, reflecting a 1.97% decline and signalling a gradual improvement in overall price stability. On a year-on-year basis, headline inflation eased by 17.82% from 33.88% recorded in October 2024. This considerable reduction reflects both the effect of base-year adjustments and a general moderation of inflationary pressures across major consumption baskets, particularly in food and energy sectors. On a month-on-month basis, however, headline inflation increased slightly to 0.93% from 0.72% in September, indicating that short-term price pressures remain present. Key contributors to this monthly rise include seasonal variations, unpredictable transport costs, and fluctuations in agricultural supply. Overall, the October inflation figures suggest that while inflation is moderating over the medium term, short-term pressures continue to affect household purchasing power and business costs. Hence, there is a need for structural interventions, such as addressing supply chain bottlenecks, stabilising the exchange rate, enhancing food production through subsidised and improved inputs, and reducing logistics costs.

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. Crude Oil Production Increases by 0.8% in October 2025 report from:
https://momr.opec.org/pdf-download/

2. Nigeria's Private Sector Records Improved Growth in October 2025 report from:
https://www.stanbicibtcbank.com/static_file/Nigeria/nigeriabank/Corporate and Investment/Downloads/Stanbic IBTC Bank October 2025 PMI.pdf

3 Headline Inflation Falls to 16.05% in October 2025 report from
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